WCB

Workers Compensation
Board of Manitoba

92-07369/

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ACCIDENTS & CLAIMS STATISTICS

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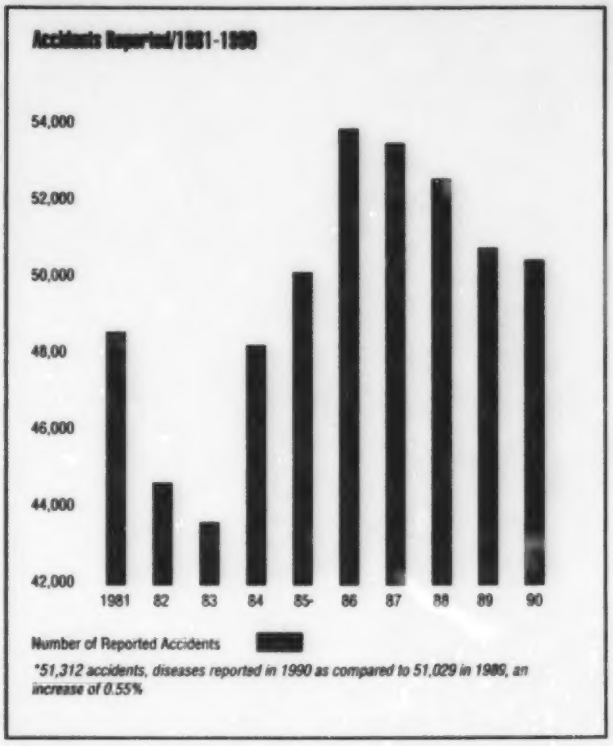
(Statistics in this booklet have been compliled by the Information Services Division of the Workers Compensation Board of Manitoba.)

Accidents & Claims Statistics



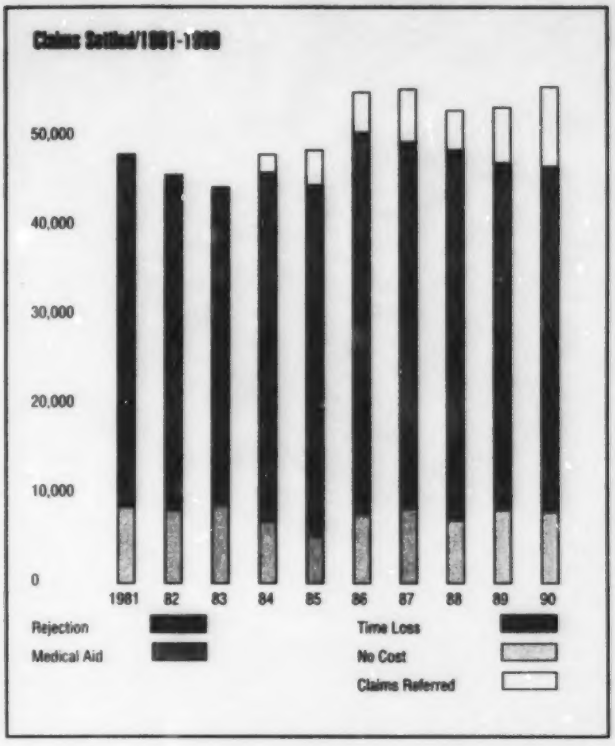


FIGURE 1

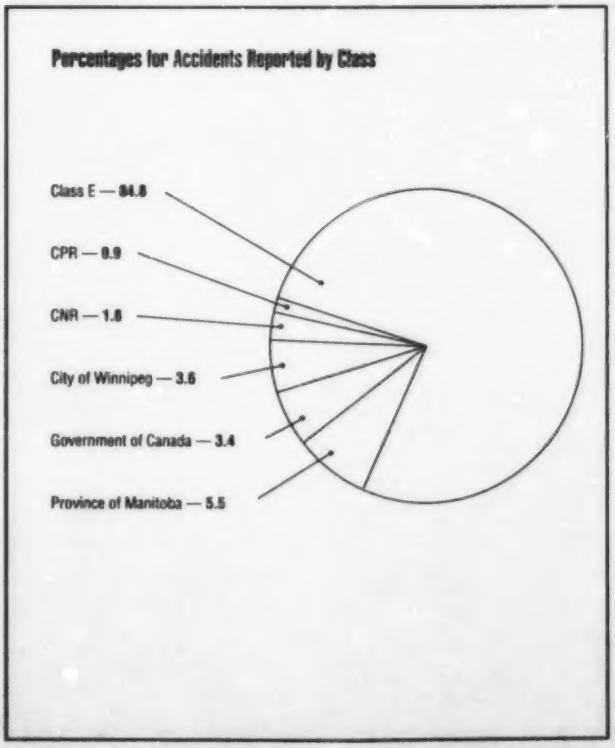

Percentages for Accidents Reported by Class
Class E — 84.8
CPR — 0.9
CNR — 1.8
City of Winnipeg — 3.6
Government of Canada — 3.4
Province of Manitoba — 5.5

FIGURE 2

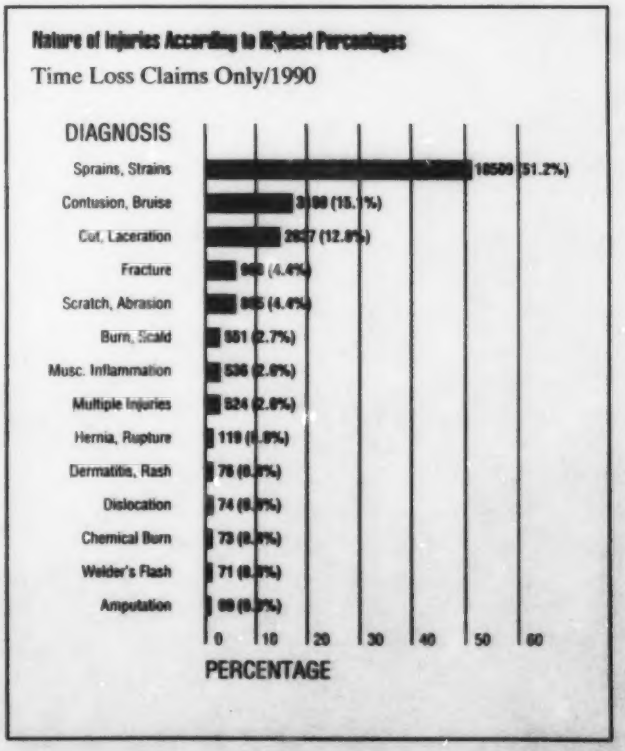


FIGURE 3

Region of Body Injured

All 1990 Reported Accidents Not Specifically Rejected

PERCENT OF CLAIMS	NUMBER OF CLAIMS	
1.96	856	Head
8.50	3706	Eye(s)
0.67	292	Hearing
1.16	505	Neck
3.36	1465	Shoulder
0.28	121	Upper Arm
0.59	258	Dorsal Spine
2.29	997	Thorax
18.12	7903	Lower Spine
0.86	375	Abdomen
7.83	3414	Lower Arm
23.17	10105	Hand
0.73	319	Pelvis
0.61	268	Upper Leg
9.01	3928	Lower Leg
4.83	2108	Foot
0.47	203	Cardio/Respiratory
0.32	141	Industrial Disease
9.15	3991	Multiple Injuries
6.10	2659	Miscellaneous

FIGURE 4

Cause of Accident

Time Loss Accidents/1990

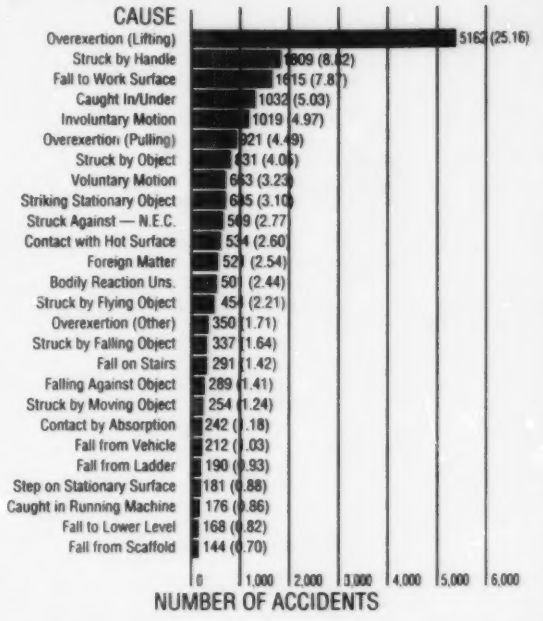

CAUSE
Overexertion (Lifting) 5162 (25.16)
Struck by Handle 1809 (8.82)
Fall to Work Surface 1615 (7.87)
Caught In/Under 1032 (5.03)
Involuntary Motion 1019 (4.97)
Overexertion (Pulling) 921 (4.49)
Struck by Object 831 (4.05)
Voluntary Motion 663 (3.23)
Striking Stationary Object 635 (3.10)
Struck Against — N.E.C. 569 (2.77)
Contact with Hot Surface 534 (2.60)
Foreign Matter 521 (2.54)
Bodily Reaction Uns. 501 (2.44)
Struck by Flying Object 454 (2.21)
Overexertion (Other) 350 (1.71)
Struck by Falling Object 337 (1.64)
Fall on Stairs 291 (1.42)
Falling Against Object 289 (1.41)
Struck by Moving Object 254 (1.24)
Contact by Absorption 242 (1.18)
Fall from Vehicle 212 (1.03)
Fall from Ladder 190 (0.93)
Step on Stationary Surface 181 (0.88)
Caught in Running Machine 176 (0.86)
Fall to Lower Level 168 (0.82)
Fall from Scaffold 144 (0.70)
0
1,000
2,000
3,000
4,000
5,000
6,000
NUMBER OF ACCIDENTS

FIGURE 5

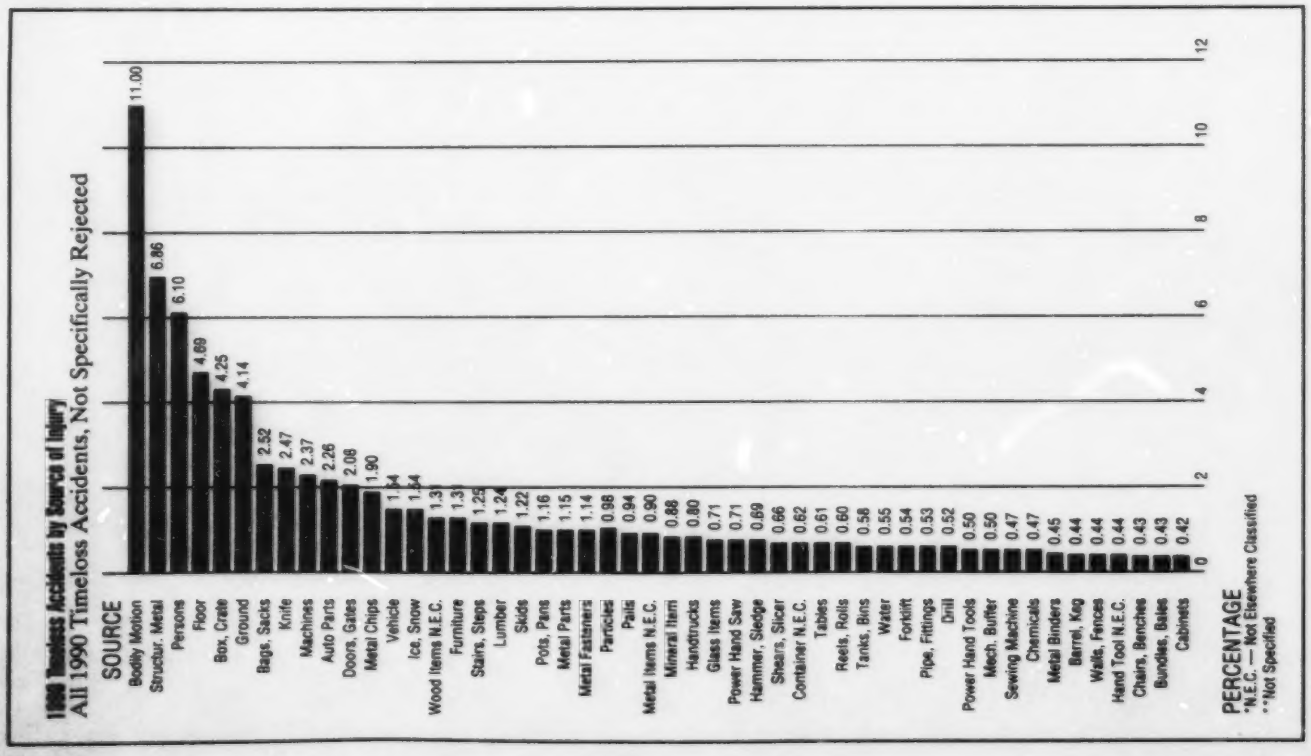


FIGURE 6

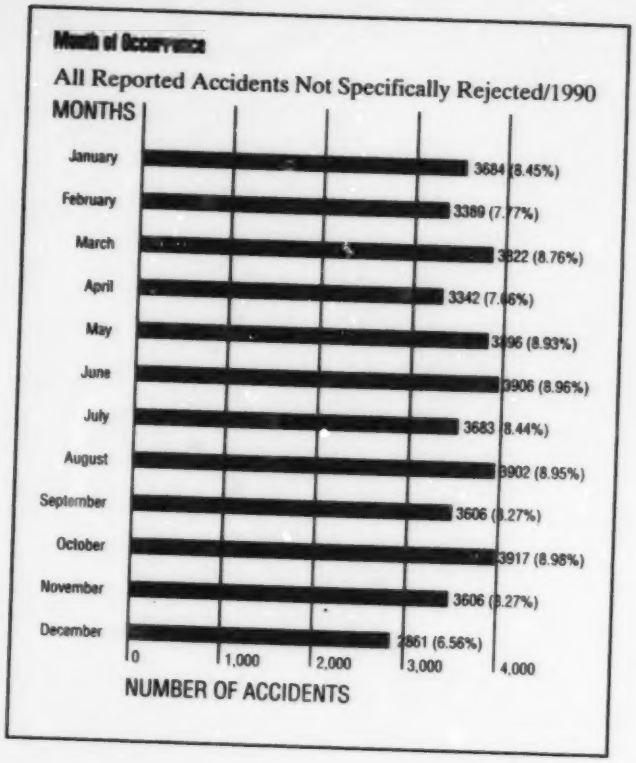


FIGURE 7

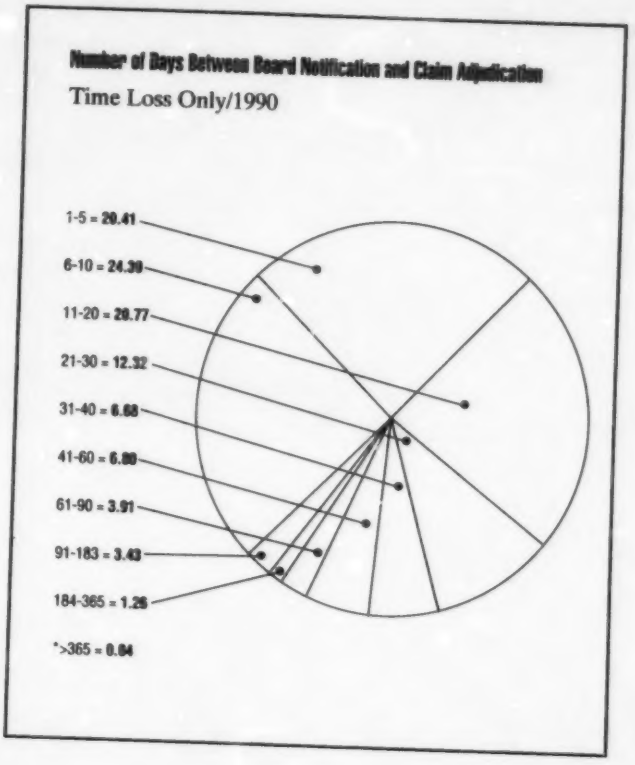


FIGURE 8

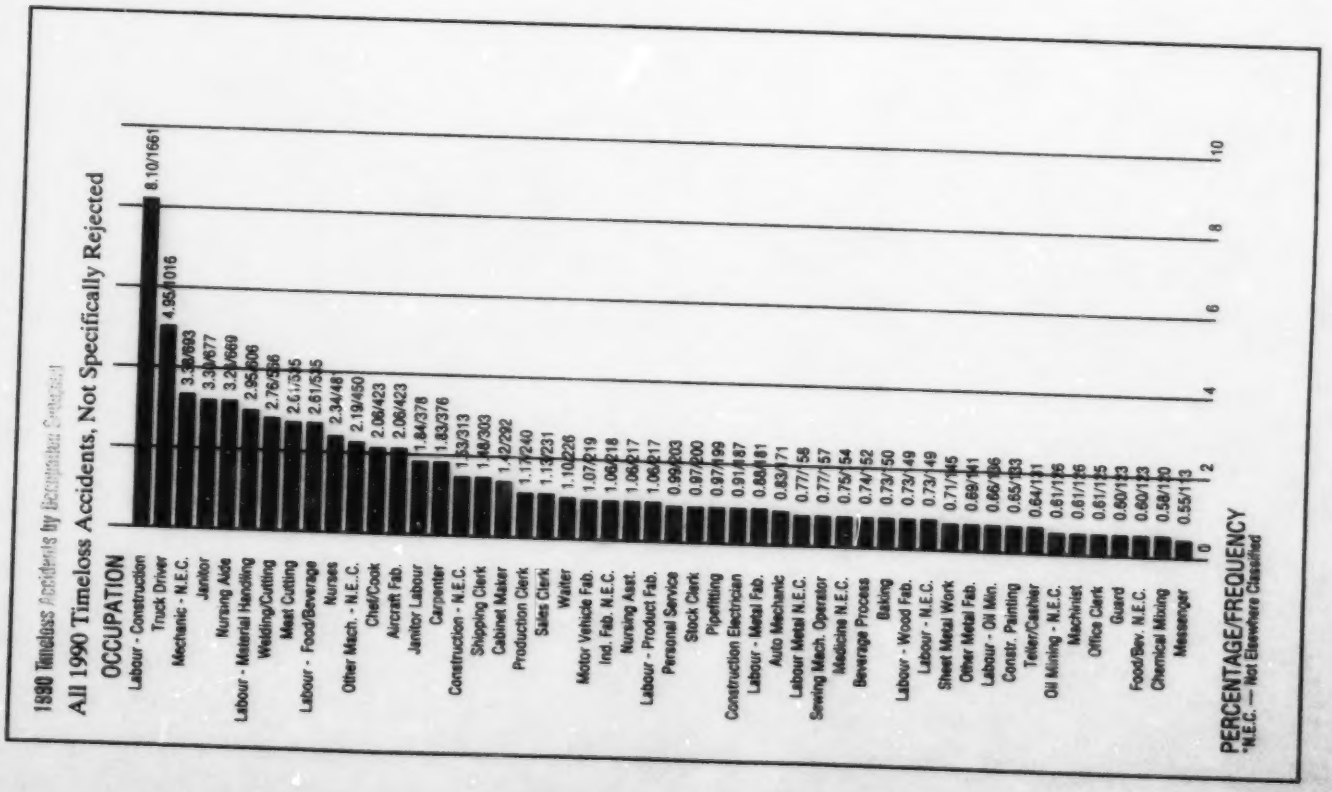


TABLE 1

Accidents Reported in 1990 by Class

CLASS	1990	Fatalities	1989	Fatalities
"A" Canadian Pacific Railway Co.	**466**	**0**	566	0
"B" Canadian National Railway Co.	**921**	**0**	1,052	0
"C" Province of Manitoba — Including Provincial Boards and Commissions	**2,818**	**4**	2,765	2
"D" City of Winnipeg	**1,839**	**3**	1,901	2
"E" General Body of Employers	**43,539**	**26**	42,998	26
Government of Canada	**1,729**	**2**	1,747	4
Total	**51,312**	**35**	51,029	34

**"Reported" Accidents means reported during 1990, whether occurring in 1990 or previous years.*

TABLE 2

Under the Manitoba Act:	No Cost Claims	Medical Aid Only	Time Loss Cases: Number of Cases: Temporary Disability	Permanent Disability	Fatality	Total	Temporary Disability: Average Days*** Loss Per Accident 1990	1989	Average Weekly Wage	Average Age
"A" Canadian Pacific Railway Co. and subsidiaries (including CP Air)	76	272	96	9	0	105	58.2	61.0	564	38
"B" Canadian National Railway Co. (including Air Canada)	127	439	314	26	0	340	47.3	48.3	617	38
"C" Province of Manitoba (including Provincial Boards and Commissions)	697	766	1033	39	4	1076	33.2	29.3	491	38
"D" City of Winnipeg	179	542	1038	22	1	1061	24.6	23.4	607	38
"E" General Body of Employers**	5,554	13,393	18,303	505	22	18,830	33.7	28.2	459	34
Manitoba Act Total	6,633	15,412	20,784	601	27	21,412				
Under the Manitoba Act:										
Government of Canada	252	471	782	28	2	812	31.7	28.7	593	41
Grand Total	6,885	15,883	21,566	629	29	22,224	33.5	28.5	475	35

**"Settled" Accidents means those claims closed and not rejected between January 1 and December 31, 1990, whether the accidents occurred in 1990 or prior years.*
*** For listing of divisions of Class "E" Employers see Table VII. For detailed listing of Class "E" Accidents Settled see Table III.*
**** Average days of compensation and rehabilitation time loss for claims settled in 1990 and includes prior years. The average has increased for 1990, reflecting the higher proportion of long term claims successfully concluded. See Table X.*

TABLE 3

Compensable accidents Settled by Class * — 1986

General Body of Employers — Class "E"

Group	Rate Code**	Medical Aid Only	Time Loss Cases: Number of Cases — Temporary Disability	Permanent Disability	Fatality	Total	Days Lost*** per Accident (Temporary Disability)	Average: Weekly Wage	Age
Group 1									
Forestry	101	25	68	4	—	72	52.8	407	38
Group 2	201	692	453	61	1	515	31.4	732	34
Mines, Quarries,	202	32	49	7	—	56	59.8	770	32
and Oil Wells	203	49	23	6	—	29	55.2	1425	41
Group 3	301	336	758	20	—	778	37.7	479	34
Manufacturing	302	347	658	21	—	679	34.7	521	34
	303	72	77	4	—	81	29.7	480	34
	305	25	37	—	—	37	16.7	325	31
	310	1458	2102	63	2	2167	26.6	530	35
	311	605	750	21	—	771	28.7	440	32
	312	214	65	9	—	74	93.3	635	37
	313	7	14	2	—	16	37.5	337	32
	314	610	920	23	1	944	24.4	376	31
	315	388	687	7	--	694	31.3	372	36
	316	387	401	19	1	421	32.2	415	32
	319	86	97	6	—	103	37.1	380	32
	320	195	606	7	—	613	24.5	502	33
	321	6	11	—	—	11	68.5	471	30
Group 4	401	705	992	37	2	1031	37.6	529	33
Construction	402	377	412	10	—	422	27.7	630	32
	404	60	95	5	—	100	43.2	484	30
	405	9	12	1	—	13	63.4	902	41
	406	43	38	1	1	40	38.6	771	41
	407	91	139	8	—	147	43.6	707	35
	408	187	269	13	1	283	45.9	611	34
	409	108	70	8	—	78	50.8	957	36
Group 5	501	456	1084	22	6	1112	47.3	518	35
Transportation	502	103	110	3	—	113	32.7	435	35
Communications	503	125	226	2	1	229	45.9	492	36
and Storage	505	8	5	—	—	5	6.2	539	33
	506	27	84	—	—	84	19.3	307	35
	507	1	1	—	—	1	56.0	320	32

** Class "E" Employers refers to all industries set out in Schedule 1 of the Workers Compensation Act.*
*** Specific rate codes only.*
**** Refers to temporary compensation days only.*

TABLE 3 / CONTINUED

General Body of Employers — Class "E"

Group	Rate Code**	Medical Aid Only	Time Loss Cases: Number of Cases: Temporary Disability	Permanent Disability	Fatality	Total	Average: Days Lost*** per Accident (Temporary Disability)	Weekly Wage	Age
Group 6	601	812	1225	17	—	1242	36.1	342	33
Trade	602	89	67	1	—	68	35.1	297	32
	603	351	508	9	—	517	32.9	432	31
	604	804	721	13	3	737	26.0	464	33
	605	132	117	6	—	123	16.7	519	36
	607	97	108	5	—	113	21.6	341	30
	609	40	46	2	—	48	21.1	509	34
Group 7	701	968	1122	14	—	1136	24.6	237	30
Service Industries	702	1367	1800	13	—	1813	35.7	416	38
	703	11	17	—	—	17	48.5	330	30
	704	2	2	—	—	2	3.5	639	31
	705	19	22	—	—	22	21.3	208	34
	706	25	95	1	—	96	72.0	256	38
	707	27	59	—	—	59	31.7	309	31
	710	7	3	—	—	3	7.0	345	25
	713	1	1	—	—	1	2.0	42	23
Group 8	801	143	146	6	1	153	29.8	497	40
Public Administration	802	5	10	—	—	10	74.5	267	37
Group 9	901	122	128	3	—	131	41.3	318	40
Voluntary by Application	902	79	104	1	—	105	28.4	442	33
	903	92	74	2	—	76	44.3	352	34
	904	17	44	1	—	45	45.9	366	34
	905	16	23	—	—	23	38.4	363	31
	906	6	2	—	—	2	30.5	601	51
	907	4	11	1	—	12	24.5	890	26
	909	37	59	2	—	61	35.1	572	36
	911	2	9	—	—	9	23.9	362	31
	912	40	73	2	—	75	36.1	495	42
	914	1	1	—	—	1	7.0	600	55
	916	—	—	—	—	—	—	—	—
	917	—	—	—	—	—	—	—	—
	918	1	—	—	—	—	—	—	—
	919	1	4	1	—	5	12.5	659	45
	921	194	363	8	—	371	40.3	453	42
	922	26	14	—	—	14	50.9	252	32

* *Class "E" Employers refers to all industries set out in Schedule 1 of the Workers Compensation Act.*
** *Specific rate codes only.*
*** *Refers to temporary compensation days only.*

TABLE 4

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Medical Aid Only	17,411	17,898	18,847	17,021	15,578	15,500	15,610	17,327	17,453	18,121	17,573	15,883
Temporary Disability	18,720	20,701	19,645	19,712	18,560	20,590	21,769	22,893	22,070	21,520	21,148	21,566
Permanent Disability	580	526	539	604	654	619	826	664	654	616	443	629
Fatality	37	38	29	21	31	27	30	35	27	25	20	29
Total Time Loss Claims	19,337	21,265	20,213	20,337	19,245	21,236	22,625	23,592	22,751	22,161	21,611	22,224
Total Compensable Accidents Settled	36,748	39,163	39,060	37,358	34,823	36,736	38,235	40,919	40,204	40,282	39,184	38,107
Total Accidents *Reported	46,463	46,627	48,904	44,737	44,133	48,685	50,380	54,228	53,709	52,872	51,029	51,312

** Accidents Settled means those claims closed and not rejected between January 1 and December 31 whether the accidents occurred in the year shown or prior years.*

*** Accidents Reported means those reported during the year whether they occurred in that year or in prior years.*

TABLE 5

Fatality reported in 1990	
New claims	29
Relating to previously recorded Accidents	6
Fatality Claims Adjudicated in 1990	
Fatalities not accepted as the Board's responsibility	13
Fatality claims accepted	29

Disposition of Accepted Claims	
Burial and medical costs only	9
Dependant pension established	20
Widows	20
Children	20

**Refers to claims adjudicated during 1990 and includes fatalities reported in previous years.*

TABLE 6

Category		Group
Category 1 Forestry, Mining Heavy Construction, Trucking	101	Lumbering, Logging, Pulpwood Production
	201	Mining
	202	Oil Drilling, Diamond Drilling, Quarries, Water Well Drilling
	203	Contract Mining Development
	313	Operation of Sawmills
	321	Marble Works, Stone Cutting
	401	Building Construction, Painting, Plastering,Concrete Work, Flooring
	404	Roofing, Outside Sheet Metal, Work at Elevation
	405	Steel Bridge and Steel Buildings
	407	Sewer Construction, Excavation, Work Under Water, Piling
	408	Roadwork, Gravelk Pits, Trenching
	409	Power Plants, Transmission Lines, Limestone, Conawapa
	501	Trucking, Street Cleaning, Garbage Removal, Fishing, Navigation
	507	Boat and Bus ,Tours
	908	Flying, Aerial Spraying
	914	Land Clearing
	917	Waste Paper Collection, Transportation of Own Goods
	919	Miscellaneous Construction
Category 2 Light Construction Transport & Storage	402	Electric Wiring, Plumbing, Heating, Ventilation
	406	Installation of Elevators, Boilers, Heavy Machinery
	502	Operation of Grain Elevators, Custom Warehousing, Cold Storage Plants
	503	Operation of Pipelines, Oil Well Services, (Above Ground), Taxis, Buses, Ambulances, Railways
	506	Courier
	907	Surveying, Prospecting and Exploration for Minerals
	909	Air Transportation

Category		Group
Category 3 Food & Heavy Manufacturing	301	Packing Houses, Meat Products, Poultry Processing, Stockyards
	302	Bakeries, Food & Dairy Products
	303	Milling, Manufacture of Feed and Seed
	305	Canneries, Packaging
	310	Foundries, Rolling Mills, Machine Shops, Welding Shops, Scrap Metal Dealers, Manufacture of Vehicles, Agricultural Machinery
	904	General Farming
Category 4 Light Manufacturing	311	Tire Retreading, Auto Wrecking, Manufacture of Light Metal Products, Wooden Boxes
	312	Operation of Pulp and Paper Mills
	314	Planning Mills, Tanneries, Sash & Door Factories, Monument Dealers, Manufacture of Furniture, Concrete Blocks
	315	Printing, Engraving, Manufacture of Textiles, Petroleum Products, Stationery, Operation of Knitting Mills, Leather Goods, Jewellry
	316	Machine and Applance Repairs, Manufacture of Mattresses, Bed Springs, Plastic Articles, Paint, Cement, Soap, Varnish, Roofing Material
	319	Upholstering, Manufacture of Wooden Articles, Cardboard & Paper Boxes, Drugs, Medicines
	320	Manufacture of Aeroplanes

TABLE 6 / CONTINUED

Category	Group		Category	Group	
Category 5 Heavy Service & Retail	604	Garages, Gas & Oil Distribution, Autobody Repairs	Category 6 Light Service & Retail/cont'd	901	Operation of Buildings, Clubs, Rinks, Cemetaries
	605	Implement & Machinery Dealers		902	Operation of Government Agencies, Rental of Vehicles, Equipment, Landscaping
	607	Retail Lumber Yards		903	Business Offices, Sales Activities, Bowling Alleys, Social Services, Medical Labs, Beauty Parlours, Barber Shops, Union Agencies
	609	Builders Supplies, Fuel Dealers		906	Display Advertising, Harvesting Wild Rice, Chemical Spraying, Trapping Outfitting
	701	Operation of Hotels, Motels, Camps, Cleaning & Dyeing Plants, Investigation and Security Services		910	Operation of Film Exchanges
	705	Supplying Manual Labour		916	Land Surveying
	706	Janitorial Services, Domestics		922	Federal Employment Programs
	710	Operation of Theatres	Public Sector	702	Operation of Hospitals, Nursing Homes, Senior Citizens Homes
	711	Apprentice Projectionists		707	Day Care Centres
	713	Funeral Homes or Undertakers		801	Municipal Operations
	905	Poultry Farming, Hatcheries, Nurseries, Market Gardening		802	Volunteer Fire Fighter & Volunteer Ambulance Service Members
	911	Window Cleaning		912	Universities (all inclusive)
	918	Operation of Carnivals		921	Operation of Schools (excluding Academics)
Category 6 Light Service & Retail	505	Radio & Television Stations, Telephone & Telegraph Systems			
	601	Retail Establishments			
	602	Consumer Cooperatives, Retail Gas Sales			
	603	Wholesale Establishments			
	701	Restaurants & Catering Services			
	703	Consulting Engineers & Architects, Supplying Clerical Workers			
	704	Professional Inspection & Testing			

TABLE 7

Class	
"A" Canadian Pacific Railway Company	$ 96,039,500
"B" Canadian National Railways	211,942,472
"C" Province of Manitoba:	
Manitoba Telephone System	159,070,436
Manitoba Government	556,309,218
Manitoba Liquor Control Commission	13,964,467
Manitoba Hydro	135,000,000
Workers Compensation Board	9,738,568
Manitoba Public Insurance Corporation	33,463,855
"D" City of Winnipeg	293,425,100
"E" General Body of Employers**	5,201,978,399
Total	**6,710,932,015**

** 1990 payroll figures are not available until mid-1991*

*** Registered employers (including independent contractors) as of December 31, 1990 were 19,751 (1989-19,624)*

TABLE 8

Year	Number Registered	Assessable Payrolls ($ millions)	Assessments ($ thousands)	Average Assessment Revenue per $100 of Payroll
1990	19,751	5,355*	121,318*	2.265*
1989	19,624	5,202	120,295	2.312
1988	19,813	4,987	120,310	2.412
1987	20,104	4,825	98,621	2.004
1986	19,000	4,576	76,438	1.670
1985	19,531	4,261	58,897	1.382
1984	19,097	4,003	44,124	1.110
1983	18,939	3,643	32,713	.898
1982	18,891	3,436	28,242	.822
1981	18,921	3,260	28,983	.889
1980	18,375	2,892	25,966	.898

** Estimated amount - final 1990 payroll figures will not be available until mid-1991.*

TABLE 9

Type	Number	Type	Number
Air Transport	2	Harvesting Wild Rice	1
Amusement Arcade	1	Indian Reserve, Operation	6
Apartments, Bus. Blocks, Boarding Homes, Condos	17	Inspection Grain Elevators	2
Auctions, Industrial and Auto	2	Landclearing	2
Auto Leasing	2	Landscaping, Lawn Care	25
Beauty Parlours	1	Legal Services	2
Beekeeping	1	Livestock Auction	1
Building Construction, N.E.C.	3	Logging, Own Property	1
Business Offices, N.E.C.	20	Market Gardening	2
Campgrounds	1	Mobile Home Park	2
Canoe Trips	1	Mowing Water Drains	1
Chemical Spraying	2	Museum	2
Churches, Retreats	5	Nurse, Supply	1
Clubs, Legions	4	Out of Province Coverage	2
Combining	1	Personal Coverage	578
Community Centres, Rinks, Arenas	8	Pest Control	1
Community Health Care	1	Pet Grooming, Veterinary	2
Design & Display	1	Pro Shop	1
Driving Range	1	Reforestation	8
Driving School	1	Research Association	4
Equipment Rental	6	Resident Member of Family	165
Exploration, Prospecting	9	Sales Activity & Promotion	35
Farming, General & Mixed	44	Schools, Colleges	3
Dairy Farm	10	Senior Citizen's Home	1
Grain Farm	9	Social Services	13
Poultry Farm	2	Straw Baling	1
Sod Farm	1	Travel Agency	1
Stock Farm	5	Trucking, American	3
Film Production	7	Unions	2
Golf Clubs, Ski Resorts	4	Window Cleaning	4
Greenhouse, Nursery	4	**Total**	**1050**
Halfway House, Retirement Home	2		

TABLE 10

Year of Accident	1990 Avg. Days	1990 % of Days	1989 Avg. Days	1989 % of Days	4 Year Average Avg. Days	4 Year Average % of Days
Current Year	16.1	39.2%	15.0	42.1%	15.9	44.0%
Previous Year	61.9	34.7%	57.5	37.1%	59.5	35.6%
All Prior Years	354.6	26.0%	370.2	20.8%	351.5	20.4%

** Chart indicates that the average duration of settled claims is relatively consistent except for the increased frequency of long-term claims successfully concluded.*

Further Statistics are available from the Information Services Division of the Workers Compensation Board of Manitoba. Please write to the address below.

WCB Workers Compensation Board of Manitoba

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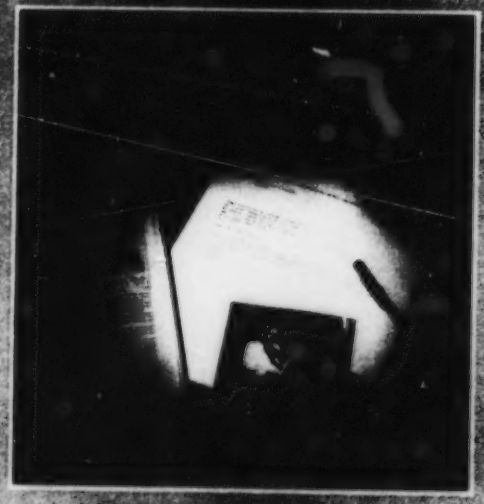


WCB
Workers Compensation
Board of Manitoba

The Honourable Darren Praznik
Minister Responsible for the
Workers Compensation Act
Rm. 156 Legislative Building
Winnipeg, Manitoba
R3C 0V8

Dear Mr. Minister:

We are pleased to present our 1990 Annual Report in accordance with the provisions of the Workers Compensation Act. This report covers the twelve month period from January 1, 1990 to December 31, 1990, and includes a statement of the accounts required to be kept under the Act.

Respectfully submitted,

Robert L. Kopstein,
Chairperson

CHAIRPERSON'S REVIEW

THE INITIATIVE TO REFORM THE WCB COMMENCED IN EARNEST DURING THE FALL OF 1988 AT THE HEIGHT OF SEVERE CRITICISM WHICH REFLECTED PROFOUND PROBLEMS WITHIN THE WCB. LOOKING BACK OVER THE TWO YEARS SINCE THE COMMENCEMENT OF THAT INITIATIVE, I BELIEVE THAT THE BOARD HAS ACHIEVED POSITIVE RESULTS. REFERENCE TO THE STATISTICS ON PAGE 7 OF THIS REPORT WILL INDICATE A FEW OF THOSE RESULTS.

BUT THESE STATISTICS DO NOT TELL THE WHOLE STORY. THEY DO NOT DETAIL SEVERAL OTHER IMPROVEMENTS IN THE DAY-TO-DAY SERVICE PROVIDED TO EMPLOYERS AND WORKERS. THEY DO NOT REVEAL THE BOARD'S COMPREHENSIVE DIRECTIONAL PLAN FOR STEP-BY-STEP RECOVERY AND REFORM. THEY DO NOT REVEAL THE SUBSTANTIAL RESEARCH UNDERTAKEN TO RE-ESTABLISH A FAIR AND EFFICIENT PROGRAM. NOR DO THEY RECOGNIZE SUCH INITIATIVES AS THE DEVELOPMENT OF CO-OPERATIVE EFFORTS BETWEEN THE BOARD AND OTHER AGENCIES IN THE FIELD OF ACCIDENT PREVENTION.

THE BOARD OF DIRECTORS (FORMERLY THE BOARD OF COMMISSIONERS) HAS WORKED DILIGENTLY TO EFFECT THE NEEDED REFORMS. AS WELL, THE HONOURABLE EDWARD CONNERY, THE MINISTER FORMERLY RESPONSIBLE FOR THE WORKERS COMPENSATION BOARD, TOGETHER WITH THE GOVERNMENT ITSELF AND, ULTIMATELY, THE LEGISLATURE, HAVE ACTIVELY FOSTERED REFORM BY THEIR RECOGNITION THAT LEGISLATIVE AMENDMENTS WERE ESSENTIAL AS AN ELEMENT OF THE REFORM INITIATIVE. OUR STAKEHOLDERS — EMPLOYERS AND WORKERS — HAVE ALSO TAKEN AN ACTIVE INTEREST IN THE REFORMS, AND HAVE ASSISTED THE BOARD BY THEIR INPUT. I MUST ALSO RECOGNIZE THE SPLENDID ABILITY OF WCB LINE STAFF TO ADJUST TO CHANGE AND TO LEARN NEW PROCEDURES.

BUT MOST OF ALL, THE SOURCE AND THE ENERGY OF THE WCB REFORM INITIATIVES HAVE COME FROM THE EXECUTIVE MANAGEMENT OF THE BOARD. FUNDAMENTALLY, THEIR EFFORTS HAVE RESULTED IN AN INTERNAL RESTRUCTURING THAT HAS MADE THE PROCESS OF REFORM POSSIBLE. FUNDAMENTALLY, IT IS THEIR CAREFUL ANALYSIS AND PRESENTATION OF ISSUES REQUIRING CONSIDERATION BY THE BOARD OF DIRECTORS THAT HAS ENABLED THE DIRECTORS TO ACT IN A MANNER THAT I BELIEVE TO BE RESPONSIBLE.

ROBERT KOPSTEIN,
Chairperson

BOARD OF DIRECTORS

Standing: **A. Rodney Thorfinnson, Graham F.J. Lane** (non-voting), **Rod Frisken, Ed Gallos, Marvin Seale**

Seated: **Margaret Day, Judge Robert Kopstein, Marla Niekamp**

Louis Plantje
Missing from photo

Clare Baum
Missing from photo

THAT IS NOT TO SAY THAT MEMBERS OF THE BOARD OF DIRECTORS ARE ALL OF ONE MIND. I BETRAY NO CONFIDENCE WHEN I DISCLOSE THAT ISSUES OF SUBSTANCE DO NOT PASS THE SCRUTINY OF DIRECTORS OR END IN PASSAGE OR DEFEAT BY THE BOARD WITHOUT SEARCHING AND OFTEN SPIRITED DEBATE. THAT PROCESS, AS I VIEW IT, IS WHOLESOME AND PRODUCTIVE. GRATIFYING FOR ME, AS I OBSERVE AND PARTICIPATE IN IT, IS EVIDENCE OF A WILLINGNESS AMONG THE MEMBERS REPRESENTATIVE OF BOTH MAJOR CONSTITUENCIES TO CONSIDER THE BROAD INTERESTS OF BOTH, AHEAD OF THE NARROW INTERESTS OF EITHER. THE PUBLIC INTEREST DIRECTORS, FOR THEIR PART, HAVE VISIBLY DEDICATED THEMSELVES TO CONSIDER THE CONCERNS OF BOTH CONSTITUENCIES WITH OBJECTIVITY AND UNDERSTANDING.

PRESENTLY, THERE IS A CONTINUING REVIEW OF BENEFIT ENTITLEMENT AND OTHER PROGRAM PROVISIONS LED BY THE STEERING COMMITTEE ON LEGISLATIVE REFORM. PRESENTLY, AS WELL, FINANCIAL AND OPERATIONAL REFORM INITIATIVES ARE UNDERWAY. ONCE THOSE INITIATIVES ARE CONCLUDED, THE BOARD SHOULD BE OPERATING AT OR NEAR THE CAPACITY OF ITS MANDATE. AT THAT POINT, IN MY OPINION, THE BOARD AND ITS STAKEHOLDERS, AS WELL AS LEGISLATORS, SHOULD BE LOOKING AT OPPORTUNITIES WHICH MAY BE AVAILABLE TO BETTER SERVE WORKERS AND EMPLOYERS, OPPORTUNITIES BEYOND THOSE CURRENTLY WITHIN REACH.

INDIVIDUALS ARE NOW PROTECTED, TO VARYING DEGREES, FROM THE EFFECTS OF ACCIDENT AND DISEASE THROUGH A NUMBER OF DIVERSE FEDERAL, PROVINCIAL AND MUNICIPAL PROGRAMS, AS WELL AS EMPLOYER SPONSORED PROGRAMS AND OTHER PROGRAMS. APART FROM THE HIGH COST OF ADMINISTRATION ASSOCIATED WITH THAT UNCOORDINATED ARRAY OF APPROACHES, THERE IS IN THEM THE INHERENT LIKELIHOOD OF BOTH EXCESS AND INADEQUATE LEVELS OF COVERAGE. AS WELL, THE SIGNIFICANT COST OF THE ADJUDICATION PROCESS AS IT DEALS WITH THE ISSUE OF WORK-RELATEDNESS, AND THE FREQUENT PROFOUND DISSATISFACTION WITH THAT PROCESS, ARE CAUSES FOR SERIOUS CONCERN.

FROM THE LITERATURE, IT IS EVIDENT THAT FOR SOME TIME, PARTICULARLY IN RECENT YEARS, THERE HAS BEEN A GROWING INTEREST, ACROSS NORTH AMERICA, IN CONSIDERING THE OPPORTUNITIES THAT MAY LIE IN A MORE COMPREHENSIVE AND INTEGRATED APPROACH TO ENSURING AGAINST LOSS OF INCOME ARISING OUT OF DISABILITIES DUE TO ACCIDENT AND DISEASE. THAT INTEREST

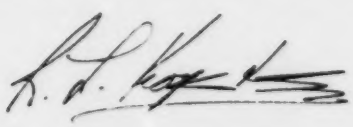
HAS BEEN INDICATED BY EMPLOYERS, WORKER GROUPS, INSURERS, HEALTH CARE PROVIDERS, WCB ADMINISTRATORS, ACADEMICS AND LEGISLATORS.

THOUGH THE NEED FOR A BETTER APPROACH SEEMS COMPELLING, I DO NOT ADVOCATE MATERIAL CHANGE EXCEPT WITH A BROAD CONSENSUS AMONG THE STAKEHOLDERS AFTER THOROUGH RESEARCH, CAUTIOUS SCRUTINY OF PROPOSALS RESULTING FROM RESEARCH, AND WIDE AND OPEN CONSULTATION. INDEED, DESPITE ITS ACKNOWLEDGED DEFECTS, IT IS POSSIBLE THAT AFTER EXPLORING THE ALTERNATIVES, THE PRESENT SYSTEM WILL BE SEEN AS THE MOST BENEFICIAL OVERALL TO THE STAKEHOLDERS. CONVERSELY, THE RECOGNITION OF SERIOUS DEFECTS IN THE PRESENT SYSTEM DEMANDS, I THINK, A SERIOUS RESEARCH EFFORT TO INVESTIGATE THOSE VARIATIONS AND ALTERNATIVES WHICH HAVE A POTENTIAL FOR REAL IMPROVEMENT.

I BELIEVE THAT COMPLETION OF THE PROCESS, COMMENCED IN 1988, TO REBUILD THE WCB, IS IN SIGHT. WITHIN THE LIMITS, GENERALLY, OF THE STRUCTURE IN WHICH IT WAS CONCEIVED ALMOST SEVENTY YEARS AGO, THE BOARD IS RE-ESTABLISHING ADMINISTRATIVE EFFICIENCY AS WELL AS FINANCIAL CONTROL, AND THERE IS, I PERCEIVE, A MEASURE OF GREATER SATISFACTION AMONG THOSE WHOM IT SERVES.

THE EXTENT TO WHICH DISSATISFACTION REMAINS, IS DUE IN LARGE PART TO FACTORS WHICH CANNOT BE ADDRESSED WITHIN THE FRAMEWORK OF THE PRESENT WORKERS COMPENSATION ACT WHICH DATES BACK TO 1916. IN ORDER TO SERVE MORE ADEQUATELY, IT IS MY OPINION THAT SUBSTANTIVE LEGISLATIVE CHANGE MAY BE REQUIRED. IT IS MY HOPE, THEREFORE, THAT AS THE CURRENT PROJECT OF REFORM IS CONCLUDED, STAKEHOLDERS AND LEGISLATORS ALIKE WILL WELCOME AND ENCOURAGE THE BOARD'S EXPLORATION INTO NEW HORIZONS. THE OBJECT OF ITS RESEARCH WOULD BE THE EXAMINATION AND ASSESSMENT OF ALTERNATIVES TO THE PRESENT STRUCTURE OF WORKERS COMPENSATION AND THE PRESENTATION FOR EVALUATION BY THE STAKEHOLDERS AND THE GOVERNMENT OF SUCH PROPOSALS AS MAY HAVE MERIT.

ROBERT L. KOPSTEIN CHAIRPERSON



1990
ANNUAL OPERATIONS REPORT

Continued attention was paid to service levels and long-term financial stability throughout the third year of the recovery program for the WCB, which was initiated in the summer of 1988.

GRAHAM F.J. LANE
Chief Executive Officer

Continued emphasis on service levels was rewarded with further improvements.

SERVICE

By 1988, service levels at the WCB had deteriorated to unacceptable levels. The board, encouraged by government, labour, industry, and others, responded by initiating a planned, five-year recovery program.

By the end of 1988, the goals and issues of the recovery had been identified and the organization had developed the necessary plans to support the rebuilding of the infrastructure. In 1989, the organization was transformed into multi-disciplinary benefit delivery units and well-defined business segments in other areas. All were supported by a centralized infrastructure comprised of research and planning, training, human resources, information services, executive management and communications.

Service response times, in 1989, improved significantly as a result of increased staff levels, enhanced technological support, organizational changes and staff training. Service improvements were reflected in significant drops in backlogs at all levels. As well, the WCB began to significantly expand the management information system and continued to reform the assessment collection and policy development areas. Despite backlog declines, with attendant increases in program costs associated with backlog reduction and investments in long-term infrastructure, surplus operations for the general employer's pool (Class E) were maintained.

In 1990, continued emphasis on service levels was rewarded with further improvements. For example, both unadjudicated time loss claims and the average required processing time for a regular time-loss claim plummeted from the average 1989 level, which, itself, was below previous levels. Staff complement levels, which rose significantly in 1988 and 1989, levelled off, as expected. However, staff levels remained well below the proportional level of certain other jurisdictions. It is becoming clearer that the plans laid in 1988, supported by actions and investments thereafter, are having the desired impact.

During 1990, WCB officers continued to meet with employers, workers, employee associations, labour/workers' organizations, and other members of the public to discuss concerns and convey information.

The reform of the assessment system initiated in 1988-89 is resulting in the cost of the program being more fairly distributed among registered employers. In 1990, the Board of Directors approved plans, for implementation in 1991 and 1992, which will further improve the assessment system by providing a fairer allocation of costs and encouraging safer workplaces and work practices.

FINANCIAL

1990 operations produced the second consecutive surplus in Class "E" (general employers pool) following years of mounting annual deficits. The surplus, occurred despite the fact that the average Class "E" employers' assessment rate declined, albeit nominally, in 1990. (The Board of Directors announced in late 1990 that average rates would increase by less than 1% for 1991 to offset certain pass-through costs being incurred).

Continued high differentials between interest rates and inflation helped contribute to growing investment revenues, which represented one important factor in the operational financial result. As well, certain policy and practice changes adopted and/or, implemented, in 1990, have had a depressant effect on anticipated future costs arising out of current claims experience.

Service, adjudicative and administrative costs (inclusive of safety, assessment and collection) increased, once again, at a rate in excess of inflation. However, these increases supported the continued thrust of the reform and one of it's goals aimed at reducing program costs and rates of increase through more timely and effective actions on claims. The emphasis on technological and system infrastructures assists should reduce the growth of such internal, non-benefit entitlement costs in future years. During the years of the reorganization and reform process, non-recurring expenses are being incurred to provide long-term benefits. These non-recurring investments include system development expenses, consultant fees and legal counsel expenses which will raise the WCB's technological, policy and practice infrastructure to effective levels.

THE WCB THEN AND NOW (1988 to 1990)

The WCB began it's five year recovery plan in 1988 to address unacceptable service levels and financial accountability. Two years into the recovery process, the following comparisons can be made:

	1990	1988
Average waiting period between report of accident and first payment	21 days	35 days
Unadjudicated Time Loss claims at year end	1,700	3,500
Unfunded Liability	$224 million	$232 million
Portion of Unfunded Liability attributable to Class E employers	down $15 million	
Increase in average Class E assessment rate from previous year	-2.03%	+20.4%

Emphasis on service has helped to reduce the backlog of unadjudicated claims and the number of days to first payment of benefits.

NEW INITIATIVES

The groundwork is now being laid for effective case management which will provide increased timeliness and effectiveness of adjudicative and rehabilitative service. As well, a long-term case review project was commenced enlisting outside expertise to assist WCB staff in servicing individual, long-term compensation and rehabilitation cases which may not have been properly served in the past due to caseload constraints. This project should provide ancillary benefits related to improved knowledge of long-term financial obligations and reduced service backlogs.

Legislative amendment Bill 56, was passed and proclaimed in 1990. This Bill provided the WCB with new governance structure and a separate Appeal Commission. It modernized some of the existing statute language and improved other statutory authorities of the WCB to provide for a more effective program. Work continued on another draft legislative amendment bill which would potentially alter major program provisions. This bill would provide a component of an overall plan to address the unfunded liability of the WCB. The deficit currently requires assessments to be 15% higher than otherwise would be the case, causing the attribution of costs of one year to be assessed, in effect, against future employers. This work will be reviewed by the Board of Directors and form the reference from which the Board may make recommendations to the government in 1991. Several members of the WCB's Executive Management Committee, as well as certain professional advisors, comprise the Steering Committee on Legislative Reform. The Committee has been working on proposed legislative amendments since the spring of 1989; when the work of the government's Implementation Team on Workers' Compensation Board reform was wound into it.

Communication services were greatly expanded in 1990 to provide program stakeholders with knowledge of WCB operations, trends and experience. As well, an automated records retention and file retrieval system was put into place to improve file security and facilitate claims handling. An automated clearance system in the assessment branch was implemented to provide written confirmation of registered employers for contractors in the construction, logging and transportation industries. Initiatives continue with respect to training, policy and procedures revisions, work-simplification and technological assist, program operational and financial controls, relationships with healthcare and rehabilitative service providers, investment management and other measures intended to provide Manitoba, in time, with the most effective WCB program possible.

EXECUTIVE MANAGEMENT COMMITTEE

Standing: **Dave Greason,** Executive Director of Information Services; **Joe Cottreau,** Executive Director of Community Relations and Human Resources; **Alfred Black,** Executive Director of Benefits; **Lorne McMillan,** Executive Director of Finance and Administration.

Seated: **Graham F.J. Lane,** Chief Executive Officer; **Karn Sandy,** Corporate Secretary and Deputy CEO.

CONCLUSION

1990 showed significant improvements. The foundation for further substantive improvement is present and evident. There is cause for the reasonable expectation that this program can be amended structurally, conceptually and operationally to meet the needs of new generations of employers and their employees.

The WCB is only one organization among many involved in matters related to workplace accidents and illness and as such retains close ties with Workplace Safety and Support Services Division of the Department of Labour, individual firms and employer associations, labour groups, the healthcare sector, safety organizations (funded or entirely independent of the WCB) and others. Workplace accidents and illness affect the well-being of society. It is hoped that the initiatives of the WCB and others will be gradually more effective and, accordingly, of more value to Manitoba. Manitoba cannot afford, in any terms, the continued loss or more than 1,000,000 productive days per annum currently attributed to workplace accidents and illness.

The support, efforts and ideas of the Board members, staff, consultants, advisors, program stakeholders and the Minister responsible for the Workers Compensation Act are gratefully acknowledged. The recovery of this necessary service requires the continued contributions of them all. □

Workplace accidents and illness affect the well-being of society.

The groundwork is now being laid for effective case management.

OVERVIEW/BILL 56

AMENDMENTS TO THE WORKERS COMPENSATION ACT

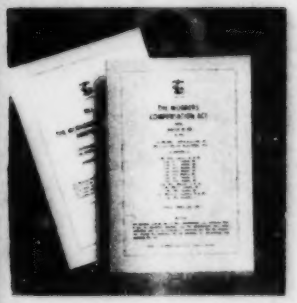
Proclaimed by the Manitoba Legislature on March 15, 1990, Bill 56 amended the Workers Compensation Act by restructuring the traditional Board of Commissioners and separating the appeal function from the policy making function.

The new Board of Directors, which is the policy and decision making body of the WCB, consists of three members representing labour, three members representing employers, three members representing the general public, and the Chief Executive Officer as a non-voting member. It is headed by a neutral chairperson. The Act now stipulates that government must consult with employer and labour communities when making appointments to the Board.

The legislation also provided for the creation of a separate Appeal Commission which, like the Board of Directors, has representation from the public interest, labour and employers. The right to appeal any staff decision to the Appeal Commission is formally provided for by these amendments.

Also included in Bill 56 were stiffer penalties for fraud and late payments. Fines were increased throughout the Act to a maximum of $5,000 and, in some cases, provision made for additional administrative penalty as well. Payroll underestimating or non-reporting by employers may lead to the levying of a significant fine and/or a substitution of WCB estimates dependent on the circumstances of the individual case. Interest may now be charged on overdue accounts or returned on over payments.

Other changes to the Act included: the establishment of a policy committee; changes in the manner in which the WCB obtains and utilizes medical advice, associates with the medical community as well as changes involving other medical issues (such as the elimination of the neurosis review panel); improved benefits to children and apportionment of widow's benefits in certain fatality cases; strengthened financial authority of the WCB; updated treatment of casual emergency workers and other technical provisions allowing the WCB greater discretion with respect to the coverage of executive officers of a corporation. □



THE WORKERS COMPENSATION ACT

Bill 56 amendments proclaimed by the Manitoba Legislature on March 15, 1990

Legislation provided for a separate appeal commission.

APPEAL COMMISSION

1990 APPEAL COMMISSION HIGHLIGHTS

Appeal Commission Established Through Bill 56

The Appeal Commission was established when Bill 56 of the Workers Compensation Act was proclaimed by the Manitoba Legislature. The bill provided for a Board of Directors responsible for policy and decision making and a separate appeal commission responsible for hearing appeals from workers and employers.

Commissioners Appointed to Appeal Panel

George Davis was appointed by the Minister Responsible for the Workers Compensation Act as Chief Appeal Commissioner in 1990. Part-time commissioners representing labour, industry and the public interest were also appointed.

Clare Baum was appointed full-time commissioner representative of industry. Rod Frisken, who had been appointed in 1989, was, throughout 1990, the full-time commissioner representing labour. (Both commissioners are also members of the Board of Directors.)

In December, the Minister appointed Willem de Bakker as full-time appeals commissioner representing the public interest and thus, the presiding officer to chair a second appeal panel. With this appointment, the WCB was able, once again, to convene two panels concurrently. (The term of the temporary Appeal Panel, appointed in 1989, was ended on March 31, 1990. From that time until December 21, 1990, only one full-time panel was in operation. This accounts for the reduction of total appeals heard compared to 1989.)

Regional Service for Appeals Improves

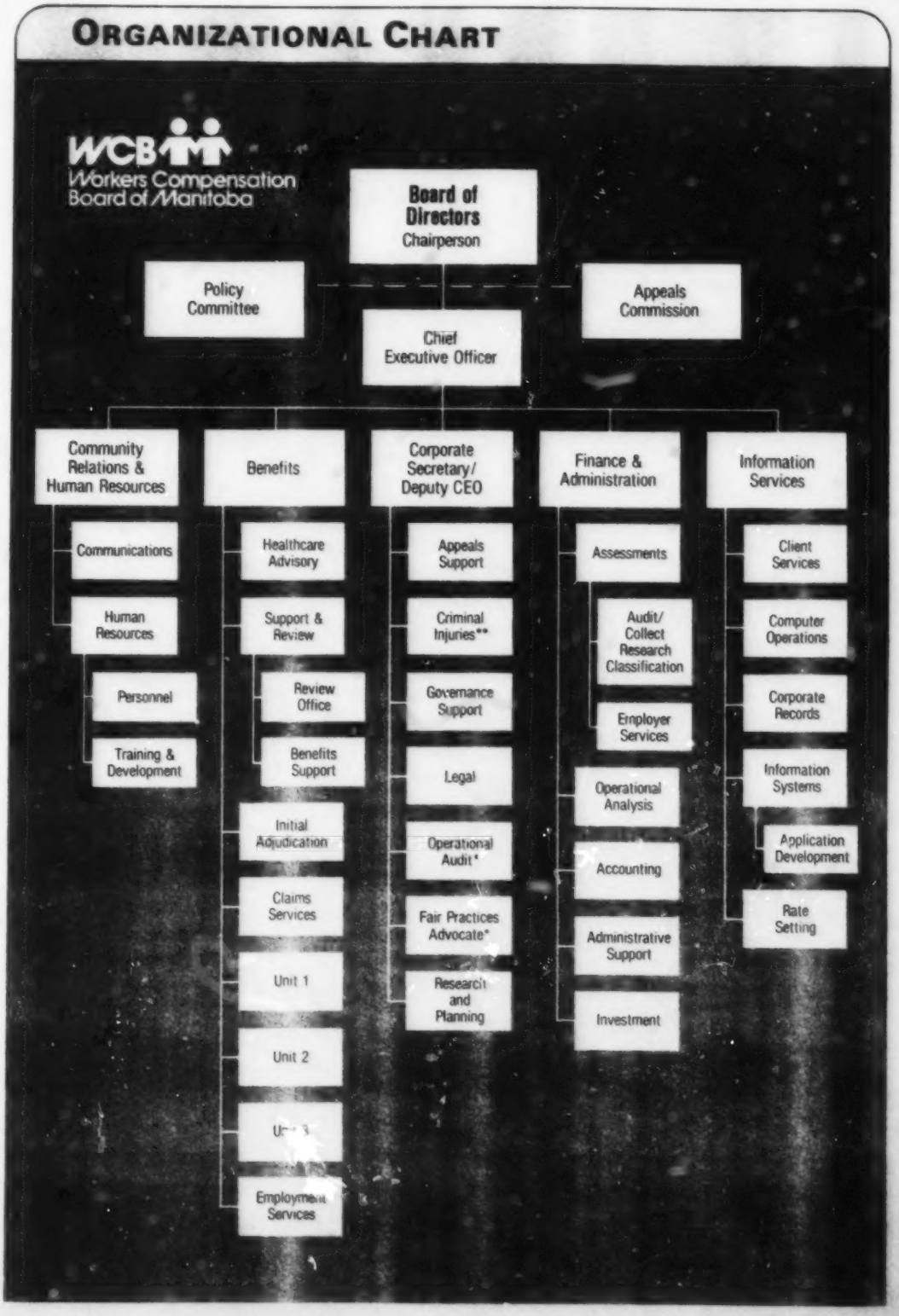
In order to improve regional service for appeals, provision was made to hold hearings outside of Winnipeg in 1990. In October, the Appeal Panel held eight hearings in Brandon, Manitoba.

Two part-time commissioners who reside in Thompson, Manitoba, were appointed by the Minister Responsible for the Workers Compensation Act to further enhance representation outside of Winnipeg.

APPEAL PANEL STATISTICS

Appeals carried forward from 1989	30
Appeal Panel Hearings held in 1990	226
Appeal Panel Reviews	53
Cases heard in 1990 but carried over to 1991 for decision	(57)
Total Decisions	**252**
Appeals accepted	64
Appeals rejected	170
Appeals partially accepted	12
Appeals withdrawn	6
Total	**252**

ORGANIZATIONAL CHART



Executive Management Committee (E.M.C.) consists of CEO, Deputy CEO and Executive Directors of each division. (Chair - *CEO*)

Planning & Priorities Committee consists of E.M.C., Corporate Planner (Chair - *Corporate Secretary*)

** Reports to CEO/Board in defined circumstances.*

*** Separate entity administered on behalf of Prov. Gov't.*

DIVISIONAL OVERVIEW

BENEFITS DIVISION

Many initiatives were begun in 1990 to help speed processing of claims.

Adjudication time drops significantly

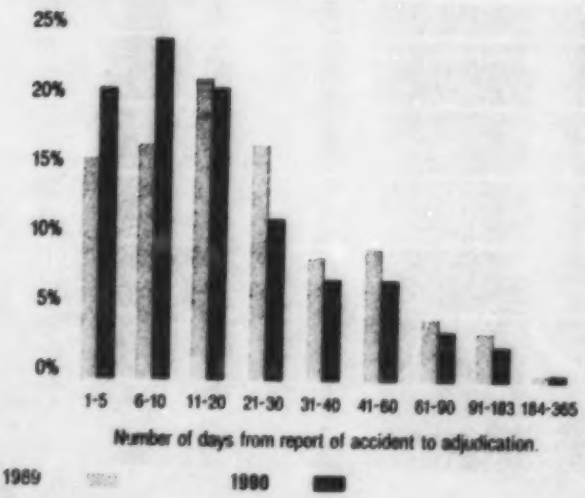
CLAIMS REVIEW STREAMLINED

The number of claims reported to the WCB but not adjudicated declined from about 3,500at the end of 1989 to about 1,700 at the end of 1990.

The number of days between the report of an accident and adjudication of a time loss claim was reduced significantly in 1990. 46% of time loss claims were adjudicated within 10 days, as compared to 33% in 1989. The chart below on "Adjudication Timeliness" shows improvements in service times for 1990.

ADJUDICATION TIMELINESS/1990

Percentage increase/decrease *(1989 to 1990)*



Note: 46% of time loss claims are adjudicated within 10 days, as compared to 33% in 1989.

Special claims unit established

The Special Claims Unit was established in January to provide more effective and efficient service to workers suffering from unique job-related injuries and occupational disease.

Claims such as hearing loss, lead toxicity, vibration induced white hands disease, respiratory conditions were handled by the unit in 1990. (Heart attacks, stress, asbestosis, silicosis and dermatitis are to be included in 1991.) Adjudicators in this unit work directly with health-care specialists and require advanced technical knowledge and training.

WCB regional service improves

Staff members from the Benefits Division increased the number of northern trips to a total of 22 in 1990 to service workers and employers in Thompson, Flin Flon, Snow Lake, Gillam, Leaf Rapids, Lynn Lake, and The Pas.

Workers and employers are advised of scheduled dates then invited to meet with adjudicators, vocational rehabilitation consultants, supervisors, managers, and field representatives to discuss various aspects of specific claims and the WCB in general.

Benefits Division staff regularly visit and service claims throughout the rural and urban areas of Southern Manitoba.

Claims Services Branch introduced

System enhancement increases on-line information

The Registration and Enquiry Branch joined with Medical Aid and Central Word Processing to form a central Claims Services Branch. The amalgamation of the two branches has resulted in a more streamlined administrative structure.

Expanded French language service

Within the Registration and Enquiry area of the new branch, a bi-lingual enquiry officer was added to provide French language service. System enhancements increased the on-line information available to enquiry officers to provide quicker response for many WCB claims enquiries. (On average, phone calls to Registration & Enquiry range from 500 to 600 per day. Approximately 60 workers with claims per day attend in person.) Links were also established with the Workplace Safety and Support Services Division of the Department of Labour to share information and, specifically, to ensure prompt reporting of serious accidents.

File tracking introduced

In order to locate worker's files more quickly and efficiently within the WCB, a file tracking system, utilizing bar codes similar to those in grocery stores, was introduced early in 1990. By scanning individual codes each time the file is moved for different administrative functions, i.e. payments, review of medical, vocational rehabilitation, etc., files can readily be located for information or action.

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CLAIMS SERVICES STATISTICS/1990

Claims	1990	1989	1988
1990 claims registered in 1990	48,929	49,028	50,988
Prior year claims registered in 1990	2,383	2,001	1,884
Total	**51,312**	51,029	52,872
Claim files settled in 1990 (see page 18)			
Medical Aid Only	15,883	17,573	18,121
No Cost Claims	8,885	7,133	6,882
Time Loss Claims	22,224	21,611	22,161
Total	**44,992**	46,317	47,164
Claims Initially Rejected*	876	726	711
Claims Referred**	9,383	6,887	5,814
Total	**55,251**	53,930	53,689

* Number of claims rejected for which the individual worker filed an application for benefits. These rejections are based on adjudicative decisions — example: accident not arising out of and in the course of employment; no accident established.

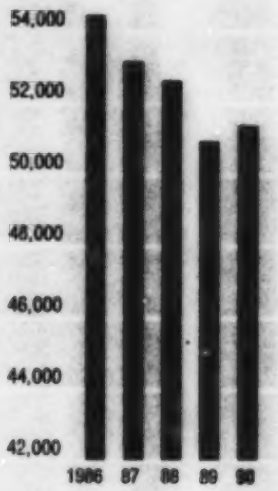
** Number of medical service accounts refused for which an individual or organization other than the injured worker applied for payment of services. This refusal would result if, for example, the account was not related to a compensation claim, if there was no worker coverage, or if the claim was payable in another jurisdiction.

Pension Benefits*	1990	1989	1988
Permanently Disabled	4,720	4,732	4,774
Widow(er)s	556	552	554
Children	310	310	312
Other Dependents	9	12	13
Total	5,595	5,606	5,653

* Total number of permanently disabled workers (totally or partially disabled) including dependants of those fatally injured, in receipt of pensions as of December 31, 1990.

ACCIDENT STATISTICS / 1990

Accidents Reported *(1986-1990)*



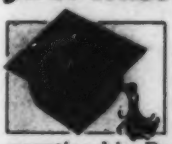
Number of Reported Accidents

Note: 51,312 accidents, diseases reported in 1990 as compared to 51,029 in 1989 an increase of 0.55% (for a 10 year history of accidents reported and claims settled, please refer to statistical supplement).

Claims Settled *(1986-1990)*

Referred
Rejection
Medical Aid
Time Loss
No Cost

Adjudicator Training Program graduates first class



Five employees comprised the first class to graduate from the Adjudicator Trainee Apprenticeship Program established by the WCB in 1989. This program utilizes specific learning modules and a "mentoring" process to train potential adjudicators.

□ □ □

As an adjunct to the Training Program, an Adjudicator Preparation Program was introduced in 1990 to upgrade the skills and knowledge of long-term staff members wishing to enter the adjudication training program.

▲

Case management, including long term claims review project is a Support and Review Branch initiative.

Support and Review Branch aids in program development

In order to pave the way for the future introduction of an active case management approach, a support and review section was developed as a technical support and project management entity within the Benefits Division.

Case management, by definition, is a comprehensive method of minimizing and managing the outcomes of a disability. It's goal is to enhance the communication between workers, their health care practitioners, their employers and WCB staff in an effort to return the worker to meaningful employment as soon as possible. (Studies have shown that the longer a worker is removed from the active workforce, the harder it becomes to successfully return the worker to any kind of meaningful employment.)

Current projects, led by Support and Review, will help to develop, implement, evaluate and refine current administrative procedures to ensure optimal service levels and to pave the way for introduction of comprehensive case management approach. **Major current projects include the long term claims review, case management administration, healthcare management, and initial adjudication services.**

Long term claims review initiated

In order to enhance services in support of the rehabilitation of injured workers and to establish actuarial elements of future liabilities for claims in which vocational rehabilitation services are provided, the WCB began a comprehensive review of its long term claims in 1990.

Long Term Claims Review initiated as part of Comprehensive Case Management Program

A number of long term claims are being identified where it is unknown whether claimants had been given an adequate opportunity to become independent of the compensation system. For some, external service providers will be commissioned to assist them with their rehabilitation.

The goals of the review will be: to help the WCB resolve difficult claims so staff can concentrate on timely assessment and intervention of current and future caseloads; to identify trends which will, in turn, assist with the possible future implementation of the case management approach; and to report statistically on the long term claims to enable a more accurate estimation of future cost of claims. The review will continue throughout 1991.

The review will help resolve difficult claims.

WCB launches "Back in Action" program

LAUNCHED as a pilot project in March, "Back In Action" was aimed at workers in pre-selected industries who suffer from soft tissue, low back injuries. The program utilizes a timely intervention approach to help the worker: 1) speed recovery by ensuring active medical treatment including strengthening exercises; 2) avoid problems commonly associated with lengthy time loss from work, and 3) return to work in a timely fashion — taking the worker's physical capabilities into account.

The program emphasizes a team effort involving the worker, the health care professional, the employer and a WCB rehabilitation professional. The WCB distributed comprehensive information about the program to stakeholders, the health care community, and other publics directly or indirectly affected by the program. In addition, program organizers met with family physicians at five Winnipeg community hospitals to discuss the intent as well as the current and future value of such an initiative.

From March to December a total of 73 cases associated with this project were closed. See accompanying chart for details.

"Back in Action" utilizes a timely intervention approach to help the worker return to meaningful employment.

A total of 73 cases associated with the WCB "Back in Action" program were closed from March 1990 to December 1990 with the following actions completed.

Back in Action *(1990)*	Number of Cases
Returned to regular work	9
Returned to modified work	20
Returned to alternate work	2
Referred back to adjudicator for vocational rehabilitation/ or employment services	10
Refused suitable employment	6
Were unavailable for intervention	1
Had a medical condition which precluded intervention	9
Other	16
Total cases	73

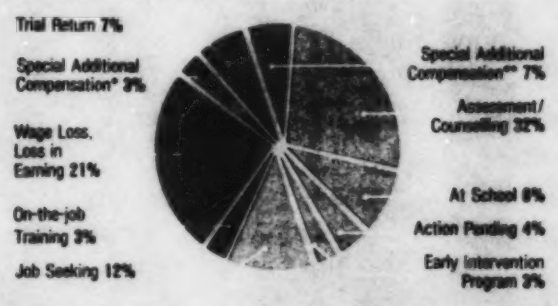
Vocational rehabilitation position paper published

In response to industry and labour concerns about the lack of direction of the WCB vocational rehabilitation program, the WCB released a position paper providing a framework for future programs and policy. The position paper was preceded by a discussion paper which invited comment from all major stakeholder groups including industry, labour and the health care community. Suggestions and comments were incorporated into the final document which sets out goals and priorities for the program.

Stemming from the position paper is the implementation of individual written rehabilitation plans to support participatory, goal-oriented vocational planning by claimants, employers, and WCB vocational rehabilitation professionals.

VOCATIONAL REHABILITATION STATISTICAL OUTLINE/1990

Active Cases *(as of December 31, 1990)*



Preparing for Work Situations 59% Other 7%

In Work Situations 34%

* Estimated

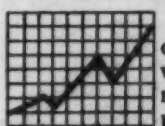
** On average, 85 cases are resolved monthly

Note: There was a 41% increase in number of cases resolved through *Return to Work* without wage loss compared to 1989.

EMPLOYMENT SPECIALIST STATISTICAL OUTLINE/1990

Active Cases *(as of December 31, 1990)*	Number of Cases
Wage Loss	174
Job Search	186
Work Assessment	28
Training on the Job	46
Other	1
Total	435

Individual written rehabilitation plans impact 1990 statistics



The introduction of individual written rehabilitation plans temporarily increased the front-end work load of the vocational rehabilitation consultants 1990 and thus reduced the average number of cases resolved monthly compared to 1989. It is important to note, however, that these plans provide a framework for a return to work and actively involve the worker in his or her own rehabilitation. Based on experience throughout North America, it is expected that they will lead to a more timely resolution for the worker and help to ensure a more successful (and permanent) return to work. (Evidence of this was demonstrated in 1990, as there was a 41% increase over 1989 in the number of people who returned to work without a loss of earnings from their pre-accident employment.)

Statistical V/R Reporting System Developed for 1991

To better understand the outcomes of vocational rehabilitation programs at the WCB, a new statistical reporting system was developed in 1990 for use in 1991. This system will allow management and staff to monitor results of the program either generally, within a specific benefits unit, or within a specific caseload. The statistics will reveal durations between date of accident to referral for vocational rehabilitation services, and from date of referral onward. These statistics will be available for the 1991 calendar year.

New medical reporting forms/fee structure introduced

Physicians and chiropractors were introduced to a more comprehensive reporting form in the fall of 1990. The new forms were developed jointly by the WCB and the Manitoba Medical Association and the Manitoba Chiropractic Association. Reporting fees were also raised substantially to accompany the change with a provision for a reduced fee for incomplete, illegible forms, or for forms with insufficient information.

The new forms encourage more detailed objective findings as well as additional information which will assist in the adjudication of the claim and accommodation for a timely return to work.

Healthcare Advisory Services initiates residency training program

Training sessions outlining the role of the WCB were offered as an elective to physicians in the family practice residency program at the University of Manitoba. The goal of the sessions is to increase awareness among healthcare professionals of the processes involved in caring for injured workers and the sources available to them.

Increased awareness promoted among health-care professionals.

First level appeals provides direct access for claimants

In order to ensure the prompt internal registration of first level appeals and to establish proper accounting of time factors from appeal to decision, a distinct postal address was established for Review Office. This service provided first level appeals with direct access to a special office in the second half of 1990, and replaced the previous practice of initiating first appeals at the primary adjudicator level.

The revised process was also designed to provide adjudicative professionals with additional time to concentrate on initial decisions, and greater accountability for the quality of first decisions.

□ □ □

The number of appeals received by the Review Office in 1990 totalled 1,152, reflecting a 37% increase over 1989's total of 841. To some extent, this increase may be attributed to greater public awareness of appeal rights coupled with enhanced reference to the appeal process in communications originating from the WCB. As well, the escalation in appeals may be the result of greater advocacy participation in the appeal process.

REVIEW OFFICE STATISTICS/1990

Review Office Statistics	1990	1989
Previous Decision Confirmed	718	485
Previous Decision Rescinded or Amended	360	235
Referrals to Appeal Panel	351*	226
Referred to Medical Panel	5	23
Total	1,494	969

Note: Total adjudication made by Review Committee were 1,078 with 360 of those decisions rescinded or amended (approximately 33%).

*As of July 1, 1990 appellants wishing to appeal a Review Office decision at the final level applied directly to the Appeal Panel thus by passing the Review Office. This number represents the combined total of Review Office referrals and direct referrals.

CORPORATE SECRETARY DIVISION

Research and Planning assisted in the development of numerous policies.

Corporate Secretary Division established

WCB internal corporate restructuring coincides with implementation of newly passed Bill 56.

THE CORPORATE SECRETARY Division was established on July 1st to coincide with the implementation of Bill 56 of The Workers Compensation Act which, in part, provided for a Governance Board separate and distinct from the newly-established Appeals Commission.

The division is headed by the Corporate Secretary/Deputy CEO who serves as Secretary to the Board of Directors and liaison between the independent Appeals Commission, the Governance Board and the WCB Administration. Within this division are: Appeal Commission Support, Governance Board Support, Research and Planning, Fair Practices Advocate (formerly the WCB Internal Ombudsman), Legal Services, Operational Audit, as well as responsibility for administering access under the Freedom of Information Act.

Legal services provided internally through General Counsel

To improve overall efficiency regarding the management of WCB legal affairs and legal resources, a General Counsel was appointed in 1990. General Counsel provides legal assistance to the Board of Directors and Corporate Secretary regarding interpretation of ***The Workers Compensation Act***, regulations or policy of the Board. In addition, General Counsel provides legal advice to all divisions within the Workers Compensation Board.

WCB Ombudsman renamed Fair Practices Advocate

Although equally descriptive of the role, the name WCB Ombudsman was changed to Fair Practices Advocate in order to avoid possible confusion with services offered by the Provincial Ombudsman.

Orloff appointed to position

Pat Orloff, former WCB Appeal Commissioner, was appointed Fair Practices Advocate in the second half of 1990. The Fair Practices Advocate has the authority to investigate complaints, make recommendations and publicize results and recommendations of an investigation.

File access speeds service time

Response time to requests for file copies for appeals purposes was reduced to two weeks or less in 1990 (compared to three to six months in early 1989).

Solicited input from stakeholders is part of the WCB consultative process.

Improved consultation and communication of policies

AN EXTERNAL policy consultation process was developed and implemented whereby the WCB invites input from stakeholders on future policy reviews. (The invitation was also extended internally to WCB staff.) Provisions for rapid communication to staff of policy changes were also developed.

An orientation package for new Directors was developed and a system to provide information on a regular basis was introduced as a means of keeping the Board of Directors well-informed on program activity, trends in compensation generally, and other related matters.

Board of Directors receive enhanced information and briefings.

Input from stakeholders solicited by WCB

Research & planning develops new policies for board consideration

The Research and Planning Branch was incorporated into the Corporate Secretary Division in the second half of 1990. The policy development process continued to evolve as improvements were noted. Several major policies were developed by this branch for consideration by the Board of Directors in 1990. These included a wide range of issues such as increases in allowances, discontinuation of benefits, average earnings, Freedom of Information fees, criteria for employer classification into multiple sub-classes, emergency expenditures, interest rate review process and serious and wilful misconduct.

"The policy development process continued to evolve"

This branch conducted extensive research on chronic pain, chronic stress and occupational disease for possible consideration in 1991. A comprehensive consultation effort regarding the latter two subjects continues in 1991.

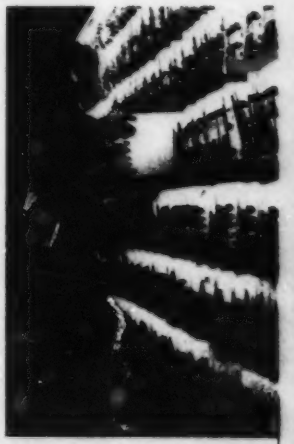
Branch staff supported the update of the board's directional plan and developed a comprehensive financial model to support financial evaluations and strategic analysis.

Registrar appointed to expedite appeals process

Appeals process streamlined

The position of Registrar to the Appeal Commission was developed to help expedite the appeals process at the Appeal Panel level. The Registrar pre-screens appeal applications and can direct them into the most appropriate process: paper review where all relevant information can be assembled beforehand, or the standard hearing process. The Registrar also performs a quality control function by screening decisions of the Appeals Panels for compliance with the legislation and board policies (as required by the Act).

An internal process was developed for receiving and considering applications for new hearings as provided for under Section 60.9 of the Act. The Corporate Secretary will consult with legal counsel regarding the issues raised in the application then advise the party making the application whether the remedy they seek is available to them under Section 60.9. In the event the application proceeds to the Board, the other party with a direct interest in the appeal decision will also be provided with an opportunity to submit written representations.



Response time for file copies was reduced.

Client Services Branch focuses on safety and prevention

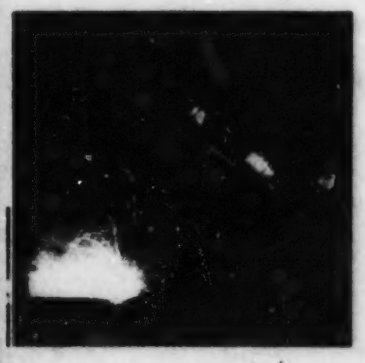
Firms are provided with comprehensive statistical profile

THE CLIENT SERVICES Branch was established in 1989 as part of a commitment by the WCB to encourage accident prevention (and effective disability management) in the work place.

A number of firms and associations identified as having high experience ratings were visited throughout the year and provided with a comprehensive statistical profile of their organization. The profile includes a three-year detailed statistical profile identifying total costs, assessment, and analysis of accident information by cause and affected body part. This valuable information continues to be provided so employers will recognize the great financial and human cost of workplace accidents. It will enable them to target their safety and prevention programs more effectively.

The Client Services Branch assists and encourages the safety officer programs with the Winnipeg and Brandon Construction Associations, Manitoba Heavy Construction Association and the Prairie Implement Manufacturers Association.

This branch continues to maintain valuable contact with employers, safety associations, and government agencies such as the Workplace Safety and Support Services Division of the Department of Labour and continues to develop effective means of reducing and managing the occurrence and outcome of workplace disability.



Improved statistical information will help employers target their safety and prevention programs more effectively.

Records Management Branch developed

The establishment of the Records Management Branch in the second half of 1990 led to immediate changes in the process of retrieving and storing files. A centralized filing system for claim files was completed which utilizes modern file location and retrieval equipment as well as mobile file storage units.

The records management branch was also instrumental in implementing the computerized file tracking system. **During 1990, approximately 450,000 pieces of mail were handled by records management,** and sent to the appropriate claim file. In addition, since the implementation of the file tracking system in late March 1990, the system has handled over 850,000 file movements and requests.

Computer Operations updates for improved efficiency

Laser print technology

The introduction of a laser printer within the Information Services Division is expected to provide the WCB with substantial cost savings by producing standard, single part reports/forms within the WCB. Laser printing has also provided the WCB with many additional benefits including: enhanced document quality, higher readability, the ability to produce bar codes on documents, in-house forms design, reduced noise levels during printing and enhanced storage capacity due to reduced paper size.

Individual sign-on identification

All users of the on-line system at the WCB were provided with individual sign-on codes to enhance security, improve the monitoring of system use by division, branch and user, and to provide for better cost allocation.

Systems Support - a key component for major WCB initiatives:

Efficiency essential to timely service provision.

THE Information Services Division continued an aggressive program of systems development while also improving existing systems and operation of daily computer functions.

Rate setting

Information Systems Branch conducted a review and revision of the assessment rate structure model which resulted in the grouping of employers into detailed categories based on risk. This division also established the 1991 rate schedule for employers to fairly allocate the costs of compensation and to provide the WCB with an experience-sensitive system which would reward workplaces with lower experience and properly allocate costs to employers with high experience.

Clearance system for contractors

A clearance system was fully implemented and utilized to allow the Assessments Branch to issue clearances to contractors in the construction, logging and transportation industries within a very short period of time. This system was developed to support the independent contractor policy.

Agenda system for adjudicators

Information Systems expanded the amount and type of information produced on the Agenda computer system. The Agenda system assists adjudicators to effectively manage their workloads. The expansion was designed to capture all adjudicator claim-related activity and assist the adjudicative and payment process. Full implementation of the system is planned for 1991.

Agenda system effective workload management tool.

Office automation pilot project

An office automation pilot project was implemented in the second half of 1990. The purpose of the pilot was to test the capability of various automation products which will help reduce time spent by WCB staff on administrative tasks. The system is designed to provide electronic mail, calendaring, personal scheduling and filing functions through personal computers. The pilot project was tested for possible implementation of office automation technology in the future for the entire WCB.

Revenue Canada statements

In response to requirements from Revenue Canada, Information Systems produced T5007 tax forms for 23,000 claimants receiving compensation payments in 1990. Although not considered taxable income, compensation payments must be reported by claimants in determining net income.

Management information system

The Division designed and installed a comprehensive set of software indicators which are produced weekly and monthly for management staff.

Internal support for other divisions

Annual report statistics for the Communications Branch, automated letters to increase efficiency and reduce workloads within the Benefits Division and installing a general ledger system for the Finance Division were also among the list of numerous accomplishments in this division in 1990.

An experience-sensitive rate-setting system will reward safe workplaces.

COMPREHENSIVE STATISTICAL INFORMATION PRODUCED IN 1990

Information Services has increased the types and amount of pertinent statistical and operational data available for internal and external use. Included in these data are management indicators as well as comprehensive injury, cost and claimant demographic information.

Increased employer communications

IN 1990, the Communications Branch of the Workers Compensation Board initiated and produced quarterly newsletters for all registered employers. Called "Update," this newsletter informed employers of major policy changes, changes to the Act and new developments within the WCB.

Also produced was an instruction guide to assist employers to complete their "Employers Statement of Workers Earnings Form." On a follow up survey with a random sampling of Manitoba employers, the guide was found to be very helpful.

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An employer's communication survey was conducted by telephone with urban and rural employers throughout Manitoba. It helped identify the types of information employers wished to receive from the WCB as well as the desired method of communication.

Employer newsletters communicate valuable information

Feedback from employers is essential part of WCB Communication procedures.

Employers and health-care professionals receive regular newsletters.

The Communications Branch produced a variety of comprehensive informational pamphlets and brochures for distribution to workers, employers and the healthcare community.

New publications produced for workers and employers

In order to increase the information available to stakeholder groups regarding essential benefits and services, the Communications Branch produced a number of pamphlets to describe specific services. Included in these were: a revised, more readable Worker's Guide to Benefits and Services, "A Family's Guide to Compensation" (to describe benefits available to dependent family members of fatally injured workers), a brochure outlining vocational rehabilitation services, arrangement for the publication of the vocational rehabilitation position paper, pamphlets explaining the "Back in Action" Program, lump sum settlements, couriers and messengers' benefits, medical review panels, a worker's guide and checklist in French, a phone directory which lists important WCB direct lines, a brochure explaining the new average earnings policy and the distribution of the booklet "Backtalk" about back care (produced by the WCB of British Columbia). The 1989 annual report was also produced by this branch.

Increased healthcare communications

Members of the healthcare community received regular information about the WCB through "WCB Connection," a newsletter in the form of a full page advertisement in quarterly editions of Manitoba Medicine magazine.

The Communications Branch also assisted with the distribution and communication of the new physician and chiropractor's report forms. An instruction guide explaining reasons for the form change together with a guide for completing the form were also developed by this branch.

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Communications for WCB staff improved

IN JANUARY, "Boardtalk Briefs" was introduced as a companion piece to the employee newsletter "Boardwalk" to provide a weekly update for employees. A corporate culture survey was also commissioned to identify areas of need which could be addressed and improved through the development of future programs and training.

The Communications Branch was also utilized as a resource by several divisions to assist with communications plans and strategies of key internal and external initiatives such as the introduction of the average earnings policy, the long term claims project, the new healthcare report formats etc.

Training enhanced for WCB employees

A comprehensive employee orientation program was developed to acquaint staff with the operations of the WCB. An in-house computer training program was also developed to decrease training costs for staff with access to computer terminals. Training continues in other areas to ensure optimum staff development.

Human Resources update

AUTOMATION

The Human Resources Branch began the processes to implement a system of automated employee records and HR functions through the leasing of the HRIS program in 1991.

NEW PERSONNEL

The Human Resources Branch, because of numerous personnel changes, was almost completely re-staffed in 1990. A new manager, training specialist, staffing coordinator, and assistant were hired.

Keeping in touch...

Community visits

Members of the Communications Branch visited or helped coordinate numerous visits with stakeholders and community groups and associations requesting information about the WCB and its programs and services. □

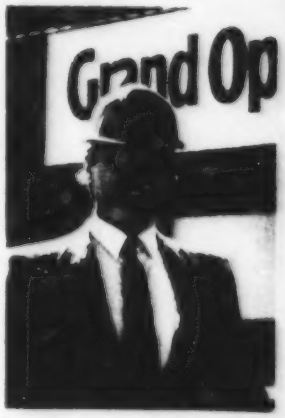
Media relations

News conferences to address specific issues or to make major announcements (such as assessment rates for 1991 and merit surcharge program) were coordinated through the Communications Branch. This branch also acts as liaison for all media requests.

Also produced throughout the year were a number of advertisements to increase public awareness of specific programs, policies and issues, i.e. clearances for independent contractors, explanation of proposed merit surcharge program, Day of Mourning for killed and injured workers, domestics policy, etc. □

H.R. meets regularly with CUPE 1063

Recognizing the need for proactive communication with the WCB's bargaining unit, regular meetings between Human Resources and CUPE Local 1063 were maintained to address issues and concerns.



Visits to stakeholders and community groups helped provide information about the WCB and its programs and services.

An in-house computer training program was developed to decrease staff training costs.

FINANCE AND ADMINISTRATION DIVISION

Collections process more efficient

The expansion of the Collections Area in the Assessment Branch together with improved procedures and legislative changes have helped improve the success of collection of employer accounts and overpaid benefits to workers.

Bill 56 initiatives provide more leverage

Bill 56 brought stiffer penalties and gave the WCB more leverage to collect on delinquent accounts including prohibition from carrying on business, a right of set off for monies due the WCB and interest charges on under-assessments. Conversely, the changes to the Act also provided for interest to be paid to employers who overpaid on their accounts.

An efficient collections operation benefits all employers and ensures outstanding debts do not have to be absorbed by those who are prompt with payments.

An efficient collections operation benefits all employers.

Regional audits increased throughout Manitoba

Better control/fairer assessments

In 1990, the Assessment Branch increased the number of auditing trips to northern, central and southern Manitoba. WCB auditors visit employers as part of a scheduled audit program or upon request. They determine whether an employer is correctly reporting assessable payroll, and conduct industry investigations to ensure that an employer is properly classified. Audits may result in reimbursements for overpayments or adjusted billings for underpayments.

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A significant part of Manitoba's construction industry was also audited in 1990.

ASSESSMENT COMMITTEE STATISTICS/1990

(January 1, 1990 to December 31, 1990)	Approvals	Partial Approvals	Rejections	Totals
Reinstatement of Special Coverages	31	0	4	35
Employer Status	24	32	55	111
Penalties	50	15	62	127
Individual Liability	17	7	0	24
Classification	20	4	33	57
Referred to Appeals Panel	—	—	—	23
Total				**377**

Assessment appeal decisions more timely

A RESTRUCTURING OF THE ASSESSMENT Committee, which hears assessment appeals, resulted in better quality and more timely decisions despite a 30% increase in the number of appeals registered in 1990 over 1989. The restructuring provided for a more consistent approach to hearing assessment appeals. (While an employer may not appeal his/her rate, other assessment issues may be appealed such as classification, penalties levied, and the cancellation of special coverage.) □

New clearance system improves turnaround time

WITH THE 1989 INTRODUCTION of the Independent Contractor Policy (relating to the construction, logging and transportation industries) came the requirement for contractors in those industries to obtain clearances before paying hired sub-contractors. The clearances verify that the subcontractors hired were registered and in good standing with the WCB.

Contractors benefit from quicker processing

Improvements to the procedures and systems in 1990 have enabled the Assessment Branch to issue these clearances and accompanying pertinent information with a vastly improved turnaround time compared to 1989.

Systems support enhances internal and external service

T5007 forms issued for first time in 1990

In 1990, the WCB issued more than 23,400 T5007 forms to WCB claimants for benefits paid in 1989. Although WCB benefits are tax exempt, this information is needed for claimants to complete specific parts of their tax return forms such as the child tax credit, the federal sales tax credit and the northern residents deduction.

The project was a joint effort by the Finance/Administration and Information Systems Divisions.

General Ledger Installed and On-line Payroll Processing

The Finance Branch installed a new general ledger and accounts payable package to enhance the branch's ability to provide comprehensive financial data within a reasonable period time frame. The new system allows for an immediate on-line display of information. In addition, an on-line capability for electronically transmitting and processing bi-weekly payrolls was installed in November, linking the WCB with its service bureau and enhancing data availability significantly.

More than 23400 T5007 forms were issued to claimants.

Division moves to Sherbrook Street

THE FINANCE AND ADMINISTration Division, including the Assessment Branch, moved to its new location at 255 Sherbrook Street in November. Except for Administrative Support servicing the WCB's needs centrally at the Maryland location, all Finance and Administration staff are now at one site. A better coordinated, more effective organization is resulting from this move, and employers now have easier access to the Assessment Branch.

255 Sherbrook St.

Contractors benefit from quicker processing times for clearances.

Inter-divisional cooperation benefits workers and staff

The on time delivery of the Board's financial and operational results remain a priority during the next year of the reform program.

Improved service to workers

The Assessment Branch established a unit to work alongside the Benefits Division to address issues involving both divisions that could affect a worker's claim. Assessment services provided within the Benefits Division may include checking directly for firm registrations and worker coverage and providing assistance to calculate benefits in accordance with the independent contractor policy. The increased communication as a result of this initiative has led to improved service for the worker. □

Administrative Support

The Administrative Support Branch which includes purchasing, building maintenance and the mailroom was responsible for organizing several physical relocations of WCB personnel in 1990. Administrative Support also assisted with the physical redesign of the Maryland location to accommodate the new records management system. □

Administrative Support assisted with the physical redesign to accommodate the new records management system.

ADJUDICATIVE, SERVICE AND ADMINISTRATION COSTS / 1990 *(Prior to Recoveries)*

Continued progress on timeliness of budgets

Building on the progress made last year, Finance and Administration presented the 1991 Budget to the Board of Directors for approval on November 29, in advance of the year end and about three months ahead of last year's schedule.

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The timely delivery of the Board's financial and operational results remains a priority for 1991 as the WCB progresses during the next year of the reform program.

FINANCIAL REPORT 1990

The accompanying financial statements, and other financial information in the annual report, are the responsibility of management and have been approved by the Board. The accompanying financial statements were prepared by management in accordance with the accounting principles set out in Note 2 to the financial statements and of necessity, include some amounts based upon management's best estimates and judgements. Any financial information contained elsewhere in the annual report conforms to these financial statements.

As management is responsible for the integrity of the financial statements, management has established systems of internal control to provide reasonable assurance that assets are properly accounted for and safeguarded from loss.

The external auditors have performed an independent examination of the financial statements of the Board in accordance with generally accepted auditing standards.

Lorne A. McMillan, C.A.
Executive Director of Finance and Administration

Graham F.J. Lane, C.A.
Chief Executive Officer

AUDITORS' REPORT

KPMG Peat Marwick Thorne
Chartered Accountants

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Winnipeg, Manitoba, Canada
R3C 4M1

Telephone (204) 957-1770
Telefax (204) 957-0808

Auditors' Report

To The Workers Compensation Board of Manitoba:

We have audited the balance sheet (being Exhibit I) of The Workers Compensation Board of Manitoba as at December 31, 1990 and the accompanying financial statements (being Exhibits II to VI) for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 1990 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Peat Marwick Thorne

Chartered Accountants
Winnipeg, Canada
March 21, 1991

Member Firm of
Klynveld Peat Marwick Goerdeler

FINANCIAL STATEMENTS

EXHIBIT I / BALANCE SHEET

Assets:	1990	1989
Receivables *(Note 3)*	$ 2,851	$ 2,197
Investments *(Note 4)*	223,694	213,676
Short-term deposits *(Note 5)*	104,626	77,974
Fixed assets *(Note 6)*	4,320	1,894
Total	$ 335,491	$ 295,741
Liabilities and Reserves:		
Accounts payable and accrued liabilities	$ 3,275	$ 3,150
Deferred revenue	251	331
	3,526	3,481
Provisions for future payments:		
Pension obligations	320,403	292,567
Future cost of existing claims	223,319	213,954
	543,722	506,521
Total liabilities	547,248	510,002
Disaster Reserve	12,463	11,130
Accumulated unfunded liabilities *(Exhibit IV)*	(224,220)	(225,391)
Total	$ 335,491	$ 295,741

◀ December 31, 1990 with comparative figures for 1989 (000's)

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board:

Chairperson

Director

EXHIBIT II/STATEMENT OF OPERATIONS - CLASS E
GENERAL EMPLOYERS POOL

For the year ended December 31, 1990 with comparative figures for 1989 (000's)

The accompanying notes are an integral part of these financial statements.

	1990	1989
Assessment revenue	$ 125,903	$ 119,130
Investment income	35,379	29,332
Total revenue	$ 161,282	$ 148,462
Compensation expenditures:		
Compensation paid	45,778	43,471
Capitalized pensions	16,114	9,165
Program administration	4,933	4,261
	66,825	56,897
Rehabilitation expenditures:		
Compensation paid	11,125	8,253
External services	693	447
Program administration	1,639	1,583
	13,457	10,283
Medical Aid expenditures:		
External professionals	11,769	11,247
Supplies	2,348	2,111
Program administration	671	672
	14,788	14,030
Total program expenditures	95,070	81,210
Future cost provision	46,233	45,510
Administration expenditures	13,094	11,289
Total expenditures	154,397	138,009
Excess of revenue over expenditures	$ 6,885	$ 10,453

EXHIBIT III/STATEMENT OF OPERATIONS - OTHER CLASSES

	1990	1989
Assessment revenue	$ 13,651	$ 11,155
Compensation expenditures:		
Compensation paid	3,169	3,298
Capitalized pensions	3,009	1,984
Program administration	657	568
	6,835	5,850
Rehabilitation expenditures:		
Compensation paid	878	676
External services	31	22
Program administration	218	210
	1,127	908
Medical Aid expenditures:		
External professionals	1,816	1,416
Supplies	492	419
Program administration	89	90
	2,397	1,925
Total program expenditures	10,359	8,683
Future cost provision *(Note 8)*	5,929	3,669
Administration expenditures	1,744	1,505
Total expenditures	18,032	13,857
Excess of expenditures over revenue	$ (4,381)	$ (2,702)

For the year ended December 31, 1990 with comparative figures for 1989 (000's)

The accompanying notes are an integral part of these financial statements.

EXHIBIT IV/STATEMENT OF ACCUMULATED UNFUNDED LIABILITIES

	Class E	Other Classes	1990	1989
Accumulated unfunded liabilities, beginning of year	$(188,932)	$(36,459)	$(225,391)	$(232,012)
Excess (deficiency) of revenues over expenditures	6,885	(4,381)	2,504	7,751
Transfer to Disaster Reserve	(1,333)		(1,333)	(1,130)
Accumulated unfunded liabilities, end of year	$(183,380)	$(40,840)	$(224,220)	$(225,391)

For the year ended December 31, 1990 with comparative figures for 1989 (000's)

The accompanying notes are an integral part of these financial statements.

EXHIBIT V/ADMINISTRATION EXPENSES

For the year ended December 31, 1990 with comparative figures for 1989 (000's)

The accompanying notes are an integral part of these financial statements.

	1990	1989
Administration expenses:		
Staff and service costs	$ 13,402	$ 11,933
Data Processing	1,735	1,690
Supplies and services	666	664
Communications	1,255	850
Building operations	965	962
Depreciation	543	247
Professional Fees	1,350	834
Grants	35	41
	19,951	17,221
Other charges *(Note 7)*:		
Charges under The Workplace Safety and Health Act	3,630	3,388
Expenses of Worker Advisors under Section 109(3) of The Workers Compensation Act	493	448
Implementation Team for Workers Compensation Reform	47	129
	4,170	3,965
Total administration expenses before recoveries	24,121	21,186
Recoveries:		
The Government of Canada for administering its employees' compensation program	908	842
The Government of The Province of Manitoba for administering The Criminal Injuries Compensation Act	168	166
Total recoveries	1,076	1,008
Total administration expenses allocated to Classes *(Note 9)*	$ 23,045	$ 20,178

EXHIBIT VI/STATEMENT OF CHANGES IN FINANCIAL POSITION

	1990	1989
Operating activities:		
Excess of revenues over expenditures	$ 2,504	$ 7,751
Add (deduct): items not requiring an outlay of cash:		
Pension awards	19,255	11,148
Provision for future costs	52,162	49,179
Depreciation	504	265
Amortization of discount	(337)	(259)
Loss on disposal of investments	42	0
Payments from the provisions for future payments:		
Pension obligations	(27,983)	(25,639)
Future cost of existing claims	(6,233)	(5,275)
Net change in non-cash balances relating to operations:		
Receivables	(654)	(209)
Accounts payable and accrued liabilities	125	985
Deferred revenue	(80)	(974)
Cash provided by operations	39,305	36,972
Investment activities:		
Proceeds on maturity of investments	11,701	11,242
Purchase of investments	(21,203)	(40,130)
Change in accrued interest on investments	(221)	(1,294)
Cash applied to investment activities	(9,723)	(30,182)
Financing activities:		
Receivable - The Province of Manitoba	0	16,386
Cash provided by financing activities	0	16,386
Additions to fixed assets	(2,930)	(1,140)
Increase in short-term deposits during the year	26,652	22,036
Short term deposits, beginning of year	77,974	55,938
Short-term deposits, end of year	$ 104,626	$ 77,974

◀

For the year ended December 31, 1990 with comparative figures for 1989 (000's)

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 1990

Note 1. Authority and Operations

The Workers Compensation Board operates under the authority of The Workers Compensation Act, Statutes of Manitoba, Chapter W-200, as amended.

The operations of the WCB are categorized in accordance with the Act, into the following employer classes: **Class A** - Canadian Pacific Railway Company and its subsidiaries; **Class B** - Canadian National Railway Company and its associated companies; **Class C** - The Crown in right of Manitoba and agencies of the Government; **Class D** - The City of Winnipeg; **Class E** - The general body of employers in Manitoba.

Note 2. Significant Accounting Policies

The financial statements have been prepared in accordance with the following accounting policies which are considered appropriate for this organization:

(a) Investments

i) ***Bonds, Debentures and Mortgages***

Bonds, debentures and mortgages are recorded at cost at the time of acquisition. Discounts or premiums are amortized on a straight-line basis over the remaining term to maturity of the investment. The estimated market value of these investments has not been disclosed as the general policy of the WCB is to hold these investments until their maturity.

ii) ***Real Estate***

Real estate investments are recorded at the lower of cost or net realizable value.

iii) ***Investment Income***

Investment income is allocated to the Class E and other Classes funds, and to the individual provisions for future payments, based on the actual monthly balances of each fund.

(b) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. The buildings are being depreciated over thirty years, pursuant to Section 94(15) of The Workers Compensation Act. All other assets are being depreciated on a straight-line basis over their estimated useful lives, as follows:

Building renovations	10 years
Furniture, fixtures and equipment	5 years
Leasehold improvements	5 years

(c) Legislated Pension Amendments

The cost of anticipated future increases in pension benefits due to legislated amendments to The Workers Compensation Act is provided for, on an estimated basis, by applying a discount rate of 3% to pension awards during the year. The cost attributed to the Class E employers for these increased benefits is recovered from the annual assessment revenue of that class. The cost attributed to the Other Classes employers for these increased benefits is recovered, together with interest, within a seven year period from the effective date of the legislated amendment.

(d) Provisions for Future Payments

i) ***Pension Obligations***

Capitalized values of pensions awarded are credited to the pension obligations provision which is then charged with pensions paid. The capitalized values are calculated using a 3% discount rate which provides for the estimated cost of anticipated future increases in pension benefits due to legislated amendments to The Workers Compensation Act.

The WCB made an estimate of its liability in respect of pensions awarded prior to December 31, 1990 which confirmed the adequacy of the year-end pension obligations provision. This estimate was made using a 3% discount rate and the methodology used in the December 31, 1985 independent actuarial review. A formal evaluation report will be completed in 1991.

ii) ***Future Cost of Existing Claims***

This provision is the estimated amount required to meet the future cost of compensation, rehabilitation, medical aid, pension awards and administration of claims incurred prior to December 31, 1990 for all employer classes. Included in this is provision for future cost of second injuries, which is designed for workers in Class E suffering further disabilities due to pre-existing conditions or disabilities arising from the work place. An independent actuarial review completed March 1, 1991 confirmed the adequacy of the December 31, 1990 provision.

(e) Disaster Reserve

The Disaster Reserve is a reserve to recognize costs that could arise from a disaster or extraordinary circumstance which the WCB considers could unfairly burden certain employers of Class E. The Disaster Reserve was initially established by the WCB in 1988 as a transfer from the Class E accumulated unfunded liability. Amounts transferred to this reserve were $1,332,992 in 1990 and $1,190,384 in 1989.

(f) Assessment Revenue

i) ***Class E Employers***

Assessment revenue is determined on the basis of estimated payrolls for the current year as reported by employers and the applicable industry assessment rate. Assessment revenue includes revisions to 1989 assessments based on actual payrolls for 1989 as reported by employers.

ii) ***Other Classes Employers***

Assessment revenue represents the cash reimbursement to the WCB for actual disbursements made on behalf of the Other Classes and for capitalized pensions which are charged to these classes.

(g) Employee Pension Plan

The Employee Pension Plan was last valued at January 1, 1989. An actuarial certificate issued that date showed the plan to have an unfunded actuarial liability of $231,713, which amount is being funded by annual payments of $23,938.

An agreement between the Province of Manitoba and The Workers Compensation Board of Manitoba allowed certain employees to remain in the Civil Service Superannuation Fund instead of the Employee Pension Plan and the WCB has provided for this estimated liability in its accounts.

(h) Administration Expenses and Other Charges

These expenses, net of recoveries, are allocated proportionately to the Class E and Other Classes funds based upon the current year's benefits payments of each class.

The WCB administers The Criminal Injuries Compensation Act for the Government of the Province of Manitoba and the employee compensation program of the Government of Canada. The operations of these administered programs are reflected only to the extent of the recoveries.

Note 3. Receivables

Amounts are shown in thousands (000's) of dollars

Receivables consist of the following:	1990	1989
Assessments billed and outstanding	$ 3,225	$ 3,307
Less: Allowance for doubtful accounts	1,464	1,981
Assessments receivable	1,761	1,326
Sundry accounts receivable	497	550
Recoverable from the Government of Canada	593	321
	$ 2,851	$ 2,197

Note 4. Investments

Amounts are shown in thousands (000's) of dollars

	1990	1989
Bonds and debentures issued or guaranteed by the following:		
Province of Manitoba	$ 74,692	$ 72,646
Government of Canada	11,743	13,225
Corporations	43,005	43,778
Hospitals	6,094	6,536
Municipal Corporations	4,890	6,349
Province of Ontario	6,434	4,912
Province of Prince Edward Island	498	498
Province of Quebec	1,120	1,118
Province of Saskatchewan	1,163	1,152
Province of Newfoundland	50	50
Province of Alberta	3,872	3,856
Province of New Brunswick	1,983	1,981
	155,544	156,101
Mortgages, National Housing Act (Canada)	50,621	40,633
Real Estate	12,028	11,662
Accrued Interest	5,501	5,280
	$ 223,694	$ 213,676

The average remaining term to maturity of the mortgages was 85 months as at December 31, 1990 (1989 - 70 months); the average interest rate earned in 1990 was 11.45% (1989 - 10.33%). The average remaining term of the bonds and debentures was 6 years as at December 31, 1990 (1989 - 6 years); the average interest rate earned in 1990 was 10.30% (1989 - 10.36%). For the first full year of the real estate portfolio, it produced a return of 9.06% in 1990 and had an appraised value of $14.8 million as at December 31, 1990.

Note 5. Short-Term Deposits

Amounts are shown in thousands (000's) of dollars

Short-term deposits consist of the following:	1990	1989
Short-term deposits with the Province of Manitoba	$ 105,594	$ 82,522
Bank Overdraft	(988)	(4,548)
	$ 104,626	$ 77,974

Short-term deposits with The Province of Manitoba earned an average interest rate in 1990 of 12.82% (1989 - 11.87%).

Note 6. Fixed Assets

Amounts are shown in thousands (000's) of dollars

Fixed assets consist of the following:	Cost	Accumulated Depreciation	1990 Net Book Value	1989 Net Book Value
Automobiles	$ —	$ —	$ —	$ 40
Buildings	2,638	1,086	1,552	877
Furniture, Fixtures and Equipment	1,540	425	1,115	469
Leasehold Improvements	643	88	555	56
Renovations	1,200	102	1,098	452
	$ 6,021	$ 1,701	$ 4,320	$ 1,894

Note 7. Other Charges

Pursuant to The Workplace Safety and Health Act, the Province may pay the expenses incurred in the administration of that Act out of the Consolidated Fund and may, subsequently, recover such portion as it may determine from the class funds under The Workers Compensation Act. For 1990, the amount charged to operations under this provision was $3,629,967 (1989 - $3,387,947).

Also, under Section 108(3) of The Workers Compensation Act, the Province may pay the costs incurred in respect to Worker Advisors and may recover them from the class funds. For 1990, the amount charged to operations under this provision was $492,989 (1989 - $448,144).

Note 8. Capitalized Reserves

The WCB's assessment practices neither were nor are in compliance with The Workers Compensation Act which requires a level of assessments sufficient to provide capitalized reserves for all program liabilities in the absence of a guarantee from the Federal or Provincial Government.

Class E employers are assessed on the basis of their estimated payrolls for the current year and the applicable industry assessment rate. Assessment rate increases have not been sufficient to collect the required capitalized reserves, though the required program liabilities are fully provided for in these financial statements.

In respect of the Other Classes employers, the WCB's past and current administrative practice is to levy assessments only to the extent of:

i) Actual disbursements made on behalf of the Other Classes and,
ii) Capitalized pension awards charged to these classes calculated using a discount rate which does not provide for future increases in pension benefits.

As a result of this practice, assessments charged to the Other Classes do not provide for any funds to capitalize reserves to pay for the estimated future cost of existing claims or the estimated future cost of increases in pension benefits due to legislated amendments. These required program liabilities are fully provided for in these financial statements.

The WCB plans to continue to address this issue of non-compliance with the Act with the Government of Manitoba and the insured employers in 1991.

Note 9. Administration Expenditures

Certain administration expenses that directly relate to the three program components of the WCB's operations; Compensation, Rehabilitation and Medical Aid, are presented as part of the cost of the program component. The expenses included here are direct staff and benefit costs, professional development, travel, supplies, direct equipment and professional services and have been allocated to the Classes as follows:

	Class E	Other Classes	Total 1990	Total 1989
Program Administration:				
Compensation	$ 4,933	$ 657	$ **5,590**	$ 4,829
Rehabilitation	1,639	218	**1,857**	1,793
Medical Aid	671	89	**760**	762
Other Administration Expenditures	13,094	1,744	**14,838**	12,794
Total Allocated Administration Expense	$ 20,337	$ 2,708	$ **23,045**	$ 20,178

◀ Amounts are shown in thousands (000's) of dollars

Note 10. Related Party Transactions

In addition to related party transactions which have been individually disclosed, these financial statements also include amounts arising from routine operating transactions with various Government of Manitoba controlled departments, agencies and corporations with which the Board is related. Account balances arising from these transactions are included in these financial statements.

Note 11. Lease Commitments

As at December 31, 1990, the WCB has an aggregate future lease commitment of $1,356,450 in respect of leased facilities, as follows:

1991	$ 216,891
1992	196,541
1993	167,739
1994	124,441
1995	135,894
	$ 841,506
Other Years	514,944
Total	$ **1,356,450**

Note 12. Comparative Figures

Certain of the 1989 comparative figures have been reclassified to conform to the current year's financial statement presentation.

Note 13. Other Information

The Government established a Steering Committee on Legislative Reform with the mandate to propose future amendments to The Workers Compensation Act, Statutes of Manitoba, Chapter W-200, as amended. These proposed amendments, if enacted, are expected to have a significant impact on the WCB's future financial position and operations.

READERSHIP SURVEY

In order to ensure the WCB annual report is meeting the needs of its readers, it would be helpful for you to complete the survey below and return it to:

The Communications Branch
Workers Compensation Board of Manitoba
333 Maryland Street
Winnipeg, Manitoba
R3G 1M2

1. What percentage of the 1990 annual report did you read?

- ☐ 10%
- ☐ 25%
- ☐ 50%
- ☐ 75%
- ☐ 90%
- ☐ all

2. Which sections did you read?

	Yes	No
Chairperson's Remarks	☐	☐
Operational Overview	☐	☐
Bill 56/Appeal Commission Summary	☐	☐
Divisional Overview	☐	☐
Financial Summary	☐	☐

3. Which section (listed above) is the most important to you?

_____

4. Which section (listed above) is the least important to you?

_____

5. Was there any information **not** included which you feel would be valuable to include next year? (If yes, please explain)

_____

_____

_____

	Yes	No
6. a) Do you wish to continue receiving the WCB's annual report?	☐	☐
b) Do you wish to continue receiving the statistical supplement?	☐	☐

7. Additional comments or suggestions.

_____

_____

_____

_____

Name: _____

Title or Occupation: _____

Company Name (if applicable): _____

Address: _____

_____ Postal Code: _____